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**Interim Report of the Audit Committee
on the work of its ninth session**

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Executive Summary

1. This interim report provides a summary of the activities and recommendations made at the ninth session of the Audit Committee (“the AC”) of the International Criminal Court (“the Court”), which was held on 21-22 March 2019.
2. The AC focused at its ninth session on (a) values and ethics; (b) risk management; (c) oversight of internal audit matters; (d) oversight of external audit matters, including the selection process for the External Auditor; and (e) follow-up on previous recommendations.
3. With delay, the AC received an “Interim Report of the Court on its Court-wide values and ethics framework”. Reiterating the importance of creating an institutional culture founded on values and ethics, the Committee regretted that the report did not outline any concrete future steps or working schedule for the finalization of the Court-wide values and ethics framework, as requested by the AC, or the development of an Ethics Charter, as requested by the Assembly.¹ The AC recommended that the Court streamline its various efforts and work in accordance with the “One-Court Principle” with a view to achieving a harmonized and revised values and ethics framework and developing a Court-wide Ethics Charter. Such a framework should include, *inter alia*, identifying gaps and updating existing policies, as well as other actions, as identified by the relevant stakeholders, including the Independent Oversight Mechanism.
4. The Court explained that due to the delay in finalizing the Strategic Plan for the period 2019-2021, the Court was not in a position to update its risk register. Consequently, the AC was not in a position to review the Court’s corporate risk profile. The AC requested that the Court update the risk register annually and also on an *ad hoc* basis and keep monitoring the inclusion of new major risks in the risk register.
5. The AC discussed with the Director of the Office of Internal Audit and the auditors some of the main findings and risks underlying the recommendations made in the 2018 audit reports. The AC welcomed the summary of the outcome of all audits and advisory services assignments conducted in 2018, and requested that the Director of the Office of Internal Audit summarize the main issues in a high-level executive summary in future, to be included in the annual activity report.
6. The representative of the External Auditor provided an update on the implementation of the audit plan for 2019, which includes the following three audits: (i) audit of the Financial Statements of the Court for the year ending 31 December 2018; (ii) audit of the Financial Statements of the Trust Fund for Victims for the year ending 31 December 2018; and (iii) performance audit report of the Court’s budget management.
7. The AC was briefed on the status of the selection process for the external auditing services and the timelines for the procurement exercise. An Expression of Interest had been published on 3 August 2018 and extended again in January 2019. On 15 February 2019, the Procurement Unit sent a Request for Proposal for auditing services (RFP) to all 17 audit companies which had expressed their interest, with a deadline for the submission of offers of 31 May 2019. The AC decided that a selection panel would convene during the tenth session of the AC in July 2019 in order to evaluate the offers based on the technical criteria indicated in the RFP. A recommendation would be made by the Selection Panel for consideration and approval by the Assembly of States Parties (“the Assembly”) at its eighteenth session in December 2019 with a view to commencing the contract with the incoming External Auditor on 1 January 2020.
8. The AC noted that despite all the efforts made by the Court, the positive trend set by 2017 implementation rate (49 per cent in 2017) had not continued in 2018. This resulted in an increase in the number of unimplemented recommendations at the end of 2018, compared to the end of 2017. The AC expected that the intensified follow-up by the OIA twice a year and on an *ad hoc* basis² would help to address

¹ ICC-ASP/17/Res.4, section M, para. 6.

² Please refer to AC/9/20, Annex, recommendation 20.

recommendations in a timely manner and requested that the Court discuss with the OIA ways to speed up the implementation pace.

9. Having carefully reviewed the implementation status, action plans and comments provided by the OIA and the Court, the AC believed that all the recommendations raised by the External Assessor addressed to the OIA/the Court required further attention, and recommended the modifications reflected in Annex III of the present report.

10. As far as the recommendations made by the AC and the External Auditor were concerned, the AC decided to continue to closely monitor their implementation at its future sessions.

I. Introduction

1. The Audit Committee of the International Criminal Court (“the AC”) held its ninth session on 21-22 March 2019 in The Hague. This report summarizes the main outcomes and recommendations made by the AC at its ninth session. Interim reports of the AC are shared with the management of the International Criminal Court (“the Court”), the Office of Internal Audit (“the OIA”), the External Auditor and the Independent Oversight Mechanism (“the IOM”) for the purposes of information and follow-up on recommendations.

2. The annual reports of the AC summarize the activities, outcomes and recommendations of the AC from September to September of each year and are publicly available on the AC webpage through the following link:

https://asp.icc-cpi.int/en_menus/asp/AuditCommittee/Pages/default.aspx

II. Consideration of issues on the agenda at the ninth session

3. Considering the comprehensive mandate outlined in the AC Charter, and the work of previous sessions, the AC decided to focus at its ninth session on the following key areas:

- (a) Values and ethics, including a Court-wide values and ethics framework;
- (b) Risk management, including an annual review of the Court’s corporate risk profile;
- (c) Oversight of internal audit matters;
- (d) Oversight of external audit matters; including the selection of the External Auditor; and
- (e) Follow-up on previous recommendations made by (i) the OIA; (ii) the External Auditor; (iii) the External Assessor and (iv) the AC.

A. Values and ethics

1. Update on the outcome of the Court-wide survey on values and ethics and on the future steps for a revised values and ethics framework

4. At its eighth session in August 2018, the AC noted with regret the limited progress so far on creating a homogenous Court-wide values and ethics framework and stressed once again the importance of having a Court-wide values and ethics framework in place. The AC welcomed the External Auditor’s recommendation³ that the Court develop and publish an ethics charter and was pleased to note that the External Auditor agreed with the AC on the importance of such a document.⁴ The AC recommended that the Court provide at its ninth session an update on the outcome of the Court-wide survey, as well as on the future steps to be taken to create a revised values and ethics framework.⁵

5. After follow-up, and with delay with regard to the established deadline for the submission of documentation, the AC received on 15 March 2019 an “Interim Report of the Court on its Court-wide values and ethics framework.”⁶

6. The Committee noted that the report did not outline clearly the future steps of a values and ethics framework and only provided some of the outcomes of the Court-wide survey, such as the understanding of the values of the Court and its Organs and the fact that the Court values diversity, while other questions and answers were not presented. The survey questions and answers were only shared with the Committee at its request on the last day of the session. Moreover, the report did not provide any information on the corrective

³ ICC-ASP/17/7, recommendation 9.

⁴ AC/8/5, paras. 6-8.

⁵ AC/8/5, para. 9.

⁶ AC/9/23.

measures that the Court intends to take in those areas in which employees had expressed dissatisfaction, in relation to equal treatment, bullying, harrassment and discrimination.

7. The AC noted that, according to the survey, only 19 per cent of the respondents were “positive” that cases of bullying, harrassment or discrimination, when they are reported, are dealt with fairly and appropriate action is taken.⁷

FINDINGS AND RECOMMENDATIONS

8. **Noting with regret the late submission of an interim report on values and ethics, the Audit Committee recommended that all documentation be submitted six weeks in advance of each session in accordance with the AC Charter.**⁸

9. The AC reiterated the importance of the subject matter creating an institutional culture founded on values and ethics with which all staff can identify and noted also that the survey indicated that staff are often unclear about what is meant by inappropriate and unethical behaviour and how they are expected to behave.⁹

10. The AC expressed regrett that only an interim report with limited substance had been submitted, which failed to outline the future steps to be taken to create a revised values and ethics framework, as requested by the AC, and to develop an Ethics Charter, as requested by the Assembly¹⁰ based on a recommendation by the External Auditor. At the same time the AC noted with satisfaction that the Cout would seek the input of all relevant stakeholders, including the Independent Oversight Mechanism (IOM), with a view to creating a homogenous Court-wide values and ethics framework. However, the format for such coordination efforts remained unclear.

11. **Therefore, the Audit Committee recommended that the Court streamline its different efforts and work in accordance with the “One-Court Principle” with the aim of achieving a harmonized and revised values and ethics framework, and developing a Court-wide Ethics Charter. This framework should include, *inter alia*, a gap analysis and an update of the existing policies, such as the Administrative Instruction on Sexual and other Forms of Harassment,¹¹ by submitting a progress report to the Committee at its eleventh session in 2020.**

B. Risk management

1. Annual review of the Court’s corporate risk profile and update of the Court’s risk register

12. To obtain reasonable assurance with respect to the Court’s risk management arrangements, the AC shall, in accordance with the AC Charter,¹² annually review the Court’s corporate risk profile.

13. At its seventh session, the AC recommended that the Court take advantage of the elaboration of the Strategic Plan of the Court for the period 2019-2021 for a comprehensive risk analysis in close cooperation with the OIA and provide an update of the risk register with an outline of the mitigating measures at the AC’s ninth session in 2019.¹³

⁷ AC/9/23, para. 7.

⁸ § 34 AC Charter.

⁹ One of the survey questions was as follows: “At the ICC, it is clear what inappropriate and unethical behaviour means and how staff are expected to behave.” 10 per cent of the respondents were “strongly positive,” 43 per cent were “positive,” 24 per cent were “neutral,” 16 per cent were “negative” and 7 per cent were “strongly negative” about this statement.

¹⁰ ICC-ASP/17/Res.4, section M, para. 6.

¹¹ ICC/AI/2005/005.

¹² § 55c AC Charter.

¹³ AC/7/5, para.12.

14. In its “Sixth update report on risk management at the Court,”¹⁴ it was outlined that, once the Court’s 2019-2021 Strategic Plan becomes available, workshops for section chiefs and heads of units would be organized with a view to developing risk registers at section/unit level. The Risk Management Committee would then review and consolidate these risk registers, which would be used to feed into the Court’s risk register. The risk register is expected to be approved by the Coordination Council in the last quarter of 2019.¹⁵

FINDINGS AND RECOMMENDATIONS

15. The Committee noted with great concern that the Court was not in a position to provide an update of the risk register or an outline of the mitigating measures, as requested by the AC at its seventh session. Therefore, the AC was not in a position to review the Court’s corporate risk profile.

16. **The Committee recalled that the risk register is a “living document” and recommended that the Court ensure that it is reviewed regularly, preferably on an annual basis, and is submitted to the Audit Committee during the first session of each year. Furthermore, the Audit Committee recommended that the risk register is updated on an *ad hoc* basis, whenever new risks are identified, such as damaging actions by non-States Parties, and claims for compensation and damages by acquitted persons.**

2. Risk appetite and appropriate integrated risk management process

17. In accordance with the AC Charter,¹⁶ the AC shall review and provide advice on the risk management arrangements established and maintained by management and the procedures in place to ensure that they are operating as intended.

18. In conformity with its Charter,¹⁷ the AC shall further obtain from the OIA an annual report on management’s implementation and maintenance of an appropriate integrated risk management process.

19. At its fifth session in September 2017, the AC requested as a starting point that the Court, in close cooperation with the External Auditor and the OIA, formulate the risk appetite of the organization by considering the recommendations rejected by the Court’s management, and report thereon at the AC’s ninth session in 2019, while keeping in mind the remaining areas requiring improvement for an appropriate risk management framework, as identified by the OIA.¹⁸ At its eighth session in August 2018, the AC took note of the progress made by the Court in the area of risk management and looked forward to discussing ways for further improvement at its ninth session.¹⁹

20. The Court submitted the “Report of the Court on its risk appetite in relation to internal audit recommendations²⁰” for consideration by the AC. In its report, the Court explained that there is a case-by-case assessment with regard to the acceptance of internal audit recommendations. Newly issued internal audit recommendations are either (i) “accepted;” (ii) “not accepted;” if management considers that the finding identified is not a real issue and does not justify a recommendation; or (iii) “risk-accepted;” if management is willing to take the risk considering the risk appetite.²¹

21. In its “Report on Risk Management by the International Criminal Court”²² the OIA noted that the Court had reached a “satisfactory level” in terms of implementing an integrated risk management

¹⁴ AC/9/9.

¹⁵ AC/9/9, para. 5.

¹⁶ § 55b AC Charter.

¹⁷ § 55d AC Charter.

¹⁸ AC/5/5, para. 31.

¹⁹ AC/8/5, para. 23.

²⁰ AC/9/14.

²¹ AC/9/14, para. 6.

²² AC/9/17.

framework.²³ At the same time, the OIA stressed the need to integrate risk management into operational procedures and to roll out risk management at all levels within the organisation.²⁴

FINDINGS AND RECOMMENDATIONS

22. The AC noted with satisfaction the overall progress in the Court's integrated risk management process over the last year. **However, the Audit Committee noted that the integration of risk management into business strategies and processes was still one of the Court's major challenges and therefore recommended that the Office of the Division on Management Services, in collaboration with the Office of Internal Audit, organize training sessions for staff at all levels with a view to adequately embedding risk management into operational procedures.**

C. Oversight on internal audit matters

1. Audit reports of the Office of Internal Audit

23. The AC considered the audit reports submitted by the OIA, namely the "Final Audit Report on the Audit on Travel Management,"²⁵ the "Final Report of the Audit on Logical Access Controls,"²⁶ the "Final Audit Report on the Audit of administrative and financial controls in the Field Offices,"²⁷ the "Final Audit Report on the Audit of classification and dissemination of information"²⁸ and the "Final Audit Report of the Audit on Physical and Environmental Protection."²⁹ Furthermore, the AC considered a report entitled "Risk Assessment exercise - Information Management Services Section (IMSS) submitted by the OIA."³⁰

24. The AC discussed with the Director of the Office of Internal Audit and the auditors some of the main findings and risks underlying the recommendations made in the audit reports submitted to the AC.

FINDINGS AND RECOMMENDATIONS

25. **The Audit Committee requested that the Director of the Office of Internal Audit in future summarize the main issues that the Audit Committee should be aware of in a high-level Executive Summary to be included in the annual activity report, and update the Committee on all noteworthy observations, recommendations and major risks in an oral presentation.**

26. **After noting that the audit report on travel management did not include in its recommendations the option of a lump-sum payment for Home Leave travel, as implemented by other international organisations as best practice, which aims to reduce administrative costs and ensure the efficient use of resources, the Audit Committee recommended that the Court explore the possibility of a lump-sum option for travel entitlement for staff by submitting a cost benefit analysis at the Committee's eleventh session in 2020.**

2. Annual activity report of the OIA for 2018

27. At its eighth session in August 2018, the AC recommended that the OIA produce an annual capping report on its activities ending 31 December for submission to the Committee at its first session each year by

²³ *Ibid.*, section E.

²⁴ *Ibid.*, para. 16.

²⁵ AC/9/2.

²⁶ AC/9/7.

²⁷ AC/9/10.

²⁸ AC/9/24.

²⁹ AC/9/11.

³⁰ AC/9/22.

including a brief summary of the outcome of all its activities (audits and advisory services conducted), any major issue(s) that the Committee should be aware of, as well as tables comparing, for example, the approved vs. actual assignments conducted, and the planned vs. actual number of working days for each assignment.³¹

28. The AC considered the “Report on the Audit Related Activities of the Office of Internal Audit in 2018”³² submitted by the OIA, which summarizes the activities conducted in 2018 and gives background information on each audit conducted.

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29. The AC welcomed the annual activity report submitted by the OIA, as recommended at its eighth session. **However, the Audit Committee recommended that the OIA in future expand the overview table in Annex I³³ to include in its annual Activity Report for each audit (a) the topic of the audit assignment; (b) the time spent on each audit (date from-to); (c) the planned *versus* actual working days; (d) reasons for delays (if any); and (e) any other relevant factors that the Committee should be aware of.**

3. Statement of Independence and Objectivity

30. In its “Statement on Independence and Objectivity of the Office of Internal Audit”³⁴ the Director of the OIA considered that there were no impairments to the independence of the OIA. However, the OIA reported delays in obtaining information from the auditees, which prevented the OIA from meeting its target timelines.

31. Moreover, the Director of the Office of Internal Audit underlined that “when developing its yearly work plan, the Office of Internal Audit has to consider the limitations established by the judicial mandate of the Court and the character of independence and confidentiality attached to the related organizational units, processes and activities.”

FINDINGS AND RECOMMENDATIONS

32. The AC recalled that the internal audit activity must be independent, and internal auditors must be objective in performing their work. In line with the International Standards for the Professional Practice of Internal Auditing “[t]he internal audit activity must be free from interference in determining the scope of internal auditing, performing work, and communicating results. The chief audit executive must disclose such interference to the board [Audit Committee] and discuss the implications.”³⁵

33. At its eighth session, the Audit Committee had fully endorsed the External Assessor’s recommendation that the “Court’s management should enable OIA to audit the main functions of the OTP, Presidency and Chambers, within the constraints imposed by the requirements of each organ for independence and confidentiality”. The Audit Committee looked forward to discussing with the OIA a risk-based internal audit plan based on the “One-Court Principle” at its tenth session when considering the Draft Audit Plan for 2020.

³¹ AC/8/5, para. 42.

³² AC/9/19.

³³ “Implementation of the 2018 Audit Plan”, please refer to AC/9/19, page 3.

³⁴ AC/9/16.

³⁵ Standard 1110.A1 of the Institute of Internal Auditor’s International Standards for the Professional Practice of Internal Auditing.

4. Implementation of the 2018 Internal Audit Plan

34. The AC monitored the status of implementation of the 2018 internal audit plan in its amended version of 15 October 2018.³⁶ The OIA submitted reports entitled “Status of Implementation of the 2018 Audit Plan (30 September 2018)”³⁷ and “Status of Implementation of the 2018 Audit Plan (20 December 2018).”³⁸

FINDINGS AND RECOMMENDATIONS

35. The AC noted that, as at 31 December 2018, the following six audits and two advisory services had been completed:

	Type of assignment	Topic	Number of planned days	Number of actual days ³⁹
1.	Audit	Classification and dissemination of information	80	90
2.	Audit	Travel management	60	50
3.	Audit	Field office operations: administrative and financial controls	90	90
4.	IT Audit	Information Security – Awareness and Training	50	25
5.	IT Audit	Logical access controls	40	40
6.	IT Audit	Physical and Environmental Protection	40	40
7.	Advisory service	Procurement Rules within the Registry	40	30
8.	Advisory service	IT Risk Management (preparing the Fieldwork)	30	15

36. The Committee further noted that one audit and two advisory services were still pending completion as at 31 December 2018, mostly for reasons attributable to the Court:⁴⁰

	Type of assignment	Topic	Number of planned days	Number of actual days ⁴¹
1.	Audit	Training programme for investigators in the Investigation Division	90	50 ⁴²
2.	Advisory service	Risk Assessment facilitation in the Prosecution Division	15	14
3.	Advisory service	Review of the SOP on Miscellaneous Obligor Documents	10	5

³⁶ AC/9/4.

³⁷ AC/9/3.

³⁸ AC/9/8.

³⁹ Based on information contained in the Report on the Audit Related Activities of the Office of Internal Audit in 2018 (AC/9/19).

⁴⁰ As at 31 December 2018, the Risk Assessment facilitation in the Prosecution Division was 93 per cent complete and awaiting review by the Prosecution Division of the identified risks and consolidation into a risk register and subsequent risk rating. The Review of the SOP on Miscellaneous Obligor Documents was 50 per cent complete, pending the completion of the project by OD-DMS for review by the OIA.

⁴¹ Based on information contained in the Report on the Audit Related Activities of the Office of Internal Audit in 2018 (AC/9/19).

⁴² This audit assignment is expected to be completed in 2019.

37. In addition, one audit providing *ad hoc* assistance to the Victims and Witnesses Section (10 planned working days) was cancelled by the Court.

38. The AC noted that six audit assignments and two advisory services were fully completed by 31 December 2018. The number of assignments completed appeared to be low, given the number of auditors employed by the OIA and compared with the other United Nations audit offices, with an annual average of 2.4 audit assignments per auditor.

39. The AC also noted that the number of planned days for some audit assignments, such as “Training programme of investigators in the Investigation Division,” is excessive in relation to their scope.

40. Based on these observations, the Committee decided that it would continue to closely monitor the number of audit assignments completed by the OIA each year and the number of planned days for each assignment in relation to its scope.

5. Progress update on the implementation of the 2019 Internal Audit Plan

41. The AC monitored the progress in terms of implementing the “2019 Internal Audit Plan,⁴³” in its amended version of 15 October 2018. The plan included the following seven audit assignments and two advisory services:

	Type of assignment	Topic	Number of planned days	Semester
1.	Audit	Continuation of the audit on the training plan for the OTP investigators	40 (1 auditor)	1 st semester
2.	Audit	HQ Security	50 (1 auditors)	1 st semester
3.	Audit	Trust Funds - European Commission Grant	70 (2 auditors)	1 st - 2 nd semester
4.	Audit	Vehicle management	80 (1 auditor)	1 st - 2 nd semester
5.	Audit	FO operations: administrative and financial controls follow-up	20 (1 auditor)	2 nd semester
6.	Audit	Miscellaneous Obligating Documents	60 (2 auditors)	2 nd semester
7.	IT Audit	Follow-up audit on project management	60 (1 IT auditor)	1 st - 2 nd semester
8.	IT Advisory service	Risk identification and evaluation facilitation for IMSS (Part 2)	50 (1 IT auditor & 1 auditor)	1 st semester
9.	IT Advisory service	Disaster recovery	60 (1 IT auditor)	2 nd semester

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42. The AC noted that the 2019 Internal Audit Plan (AC/9/6) did not include a progress update and differed only slightly from the 2019 Provisional Internal Audit Plan (AC/8/9) submitted at the AC’s eighth session by specifying the underlying risks of each audit.

⁴³ AC/9/6.

43. The AC is looking forward to discussing with the OIA the impact of a series of internal measures⁴⁴ taken to reduce the preparation time for audits on the efficiency of the OIA's work at its eleventh session in 2020 during the consideration of the implementation of the 2019 audit plan.

6. Update on recommendations related to the Group Health Insurance Plan and on the staff satisfaction survey

44. At its seventh session, the AC, noting that most of the recommendations in relation to the group health insurance plan had been addressed, recommended that the Court inform the AC once the three outstanding recommendations had been implemented and further recommended that the Court provide an update on the outcome of the staff satisfaction survey at the AC's ninth session.⁴⁵

45. The Court submitted the "Report of the Court on the Internal Audit recommendations related to the Audit on the group health insurance plan and the service-incurred death and disability insurance".⁴⁶ The Court indicated in its report that one recommendation had been implemented, while two remaining recommendations in relation to (i) documenting the meeting schedule and claims review process and (ii) the promulgation of an Administrative Instruction on medical evacuations remained partially unimplemented.

46. As for the monitoring of claims management, the Court indicated that a new structure for communication with and monitoring of the new group health insurance provider (MSH) was agreed upon, which resulted in tighter monitoring of claims processing. The Court will provide evidence to the OIA on practices related to the administration of the new insurance programmes in the second quarter of 2019 and expects that this recommendation would then be considered as being fully implemented.

47. In relation to the Administrative Instruction on medical evacuations, the Court explained that a policy had been drafted, which is expected to be promulgated by the end of 2019.

FINDINGS AND RECOMMENDATIONS

48. The AC noted that the survey on the new Group Health Insurance Plan provider had not yet been conducted and that the implementation of two recommendations was still in progress. The AC noted that the Court indicated that by the end of 2019 the remaining two recommendations would be fully implemented.

49. The AC decided to keep monitoring the implementation of recommendations related to the group health insurance plan as part of the general follow-up on internal audit recommendations at its eleventh session in 2020.

D. Oversight on external audit matters

1. Update on the activities of the External Auditor

50. The representative of the External Auditor provided an update on the implementation of the audit plan for 2019, which included the following audits:

- (a) audit of the Financial Statement of the Court for the year ended 31 December 2018;

⁴⁴ Please refer to AC/9/20, Owner's comment / Implementation plan in relation to recommendation 9 of the External Assessor.

⁴⁵ AC/7/5, para. 30.

⁴⁶ AC/9/13.

- (b) audit of the Financial Statement of the Trust Fund for Victims for the year ended 31 December 2018; and
- (c) performance audit report of the Court's budget process.

51. During his presentation, the representative of the External Auditor emphasized that the External Auditor now had access to all documentation of the Victims and Witnesses Section. The External Auditor further underlined that there was a need to continue monitoring the cash flow situation, as highlighted by the External Auditor in the Financial Statements of the Court for the year ended 2017.

52. As for the performance audit of the Court's budget process, which is expected to be available by mid-July 2019, the External Auditor explained that the purpose of the audit was to measure the effectiveness and efficiency of the budget process and, where appropriate, to propose improvements.

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53. Recalling its recommendation made at the fourth session requesting that the External Auditor inform the AC in a timely manner of any matter of relevance that could potentially lead to the issuance of a qualified opinion before the issuance of the audit reports,⁴⁷ the Committee looked forward to discussing the audit reports with the External Auditor at its tenth session in July 2019.

2. Selection process for the External Auditor

54. The term of the External Auditor, the *Cour des comptes*, will end with the consideration of the financial statements of the Court and the TFV for the year ending 2019. In accordance with its Charter, the AC shall make recommendations to the competent organ concerning the nomination of the External Auditor.⁴⁸

55. As noted by the Assembly at its seventeenth session in December 2018, a "[...] detailed selection procedure for procurement of External Auditor will need to be completed in time for the eighteenth session of the Assembly of States Parties."⁴⁹

56. The AC continued its consideration of the selection process for the external auditing services. The Executive Secretary briefed the AC on the status of the selection process and the timelines for the procurement exercise, informing the AC members that the Expression of Interest had been published on 3 August 2018 and shared as a Note Verbale with all States Parties.

57. In January 2019, the deadline for the Expression of Interest was extended until 8 February 2019. A total of 17 expressions of interest had been received.

58. The Executive Secretary further informed the AC that on 15 February 2019, the Procurement Unit sent a Request for Proposal for auditing services (RFP) to all audit firms who had previously expressed their interest, with a deadline of 31 May 2019 for the submission of offers.

59. The AC decided that the Selection Panel, chaired by the President of the Assembly or his/her representative, would convene during the tenth session of the AC in July 2019 in order to evaluate the offers based on the technical criteria indicated in the RFP. The Court would participate as observer in an advisory function without voting rights.

60. The Selection Panel will undertake a technical analysis of the bids based on the criteria in the RFP and identify those audit firms that fulfil the criteria. After the completion of the technical evaluation, the Procurement Unit will assist the Selection Panel with the financial evaluation for those identified vendors in

⁴⁷ AC/4/10, para 79.

⁴⁸ § 60 AC Charter.

⁴⁹ ICC-ASP/17/Res.4, section I, para. 2.

order to reach to the best offer. The outcome of this selection process will pass through the Court's Procurement Review Committee for approval.

61. A recommendation for an external auditing service will be made by the Selection Panel for consideration and approval by the Assembly at its eighteenth session in December 2019 with a view to commencing the contract with the incoming External Auditor on 1 January 2020.

E. Follow-up on the implementation of previous recommendations

1. Follow-up on internal audit recommendations

a) Reducing the backlog of unimplemented internal audit recommendations

62. At its seventh session, the Committee recommended that the Court, in close cooperation with the OIA, continue its efforts to reduce the considerable backlog of unimplemented recommendations with the aim of achieving a full implementation rate as soon as possible, and report to the AC at its ninth session in 2019.⁵⁰

63. The Committee received the "Report of the Court on the implementation of internal audit recommendations as at 31 December 2018"⁵¹ and the "Annual Report of the OIA: Implementation of Audit Recommendations – Situation as at 31 December 2018."⁵²

64. The OIA indicated in its annual report that as at 31 December 2018, 101 accepted recommendations were "in progress", namely 52 recommendations related to audits conducted in 2018; 27 recommendations related to audits conducted in 2017; three recommendations related to audits conducted in 2016; ten recommendations related to audits conducted in 2015; seven recommendations related to audits conducted in 2014 and two recommendations related to audits conducted in 2012.⁵³

65. Of the total 101 recommendations in progress, 30 recommendations (or 30 per cent) were rated as high risk, 60 recommendations (or 59 per cent) were rated as medium risk and 11 recommendations (or 11 per cent) were rated as low risk.⁵⁴

66. The OIA elaborated and provided statistics on the "aging of recommendations", i.e. the timing and frequency of the implementation of recommendations.⁵⁵ Only 57 recommendations (or 15 per cent) of the total 388 recommendations issued between 2011-2018 were implemented within the first 12 months of being issued.

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67. The Committee noted with satisfaction that the Court organized training session with directors and so-called Unique Leaders to explain the processes and requirements of the various auditing phases, in particular, the acceptance and rejection of internal audit recommendations whereby auditees were informed that recommendations could only be accepted without reservations, as previously highlighted by the Audit Committee.

68. The AC noted that, despite all efforts made by the Court, the positive trend of the 2017 implementation rate (49 per cent) had not continued in 2018, when the implementation rate declined to 23 per

⁵⁰ AC/7/5, para. 64.

⁵¹ AC/9/12.

⁵² AC/9/18.

⁵³ AC/9/18, Annex I.

⁵⁴ AC/9/18, page 2.

⁵⁵ AC/9/18, page 3, Figure 1.

cent.⁵⁶ This resulted in an increase in unimplemented recommendations at the end of 2018 (101 unimplemented recommendations) compared to the end of 2017 (88 unimplemented recommendations).

69. More specifically, the AC noted that of the total 54 recommendations issued by the OIA in 2018 (eight of a Court-wide nature and 46 addressed to the Registry), only one recommendation had been implemented and one had not been accepted as at 31 December 2018. The AC expected that a more balanced audit plan based on the risk assessment for all four organs (please refer to Section E.3 below) would alleviate the burden of implementing recommendations on the Registry and share it among all organs of the Court.

70. **The Audit Committee expected that the intensified follow-up by the OIA twice a year and on an *ad hoc* basis⁵⁷ would contribute to addressing recommendations in a timely manner and requested that the Court discuss with the OIA ways to step up the pace in terms of implementing recommendations and to report thereon at the Committee's eleventh session in 2020.**

b) Implementation of all information security-related recommendations

71. At its eighth session in August 2018, the AC, recalling a previous recommendation,⁵⁸ looked forward to receiving from the Court an update on the implementation of all information security-related recommendations at its ninth session in March 2019.⁵⁹

72. The AC had before it the "Update on the Implementation of Internal Audit Recommendations on Information Security at the Court."⁶⁰ The Court indicated that since 2013 it had implemented 26 recommendations related to information security, whereas 17 recommendations related to three audits were still outstanding.⁶¹ During the session, the Chief of the Information Management Services Section (IMSS) explained that the Court could not proceed at the desired pace with the implementation of security-related recommendations as a result of human resources constraints within the Information Security Unit.⁶²

73. IMSS explained that due to human resources constraints, it pursues a pragmatic approach in terms of implementing recommendations, whereby it focuses on the performance of operational tasks rather than finalizing the procedures underlying the tasks. For example, through the information security awareness and training programme, the Court managed to train about 80 per cent of its staff on practical challenges related to information security, which resulted in a reduction of incidents, such as data loss or malware. However, more work in relation to the identification of training needs was still required.

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74. Since its establishment in 2015 following the ReVision process, the Information Security Unit has suffered from poor staff retention and a limited pool of suitable candidates,⁶³ which resulted in 17 (or 40 per cent) unimplemented information security-related recommendations.

75. The AC expressed its expectation that some of the information security-related challenges would be efficiently addressed, once full staffing in the Information Security Unit was in place and the Unit was operating at full capacity. **In light of the crucial importance of information security for the Court's**

⁵⁶ AC/9/12, para. 6, Table.

⁵⁷ Please refer to AC/9/20, Annex, recommendation 20.

⁵⁸ AC/7/5, para. 23.

⁵⁹ AC/8/5, para. 33.

⁶⁰ AC/9/21.

⁶¹ Six recommendations in relation to the Audit on Incident response; eight recommendation in relation to the Audit on Classification and dissemination of confidential information; three recommendations in relation to the Audit on Information security awareness and training programme.

⁶² In 2018 the staffing rate was 58 per cent as a result of staff turnover, long-term sickness/unpaid leave and unfilled vacancies. Two vacancies are expected to be filled in the second or third quarter of 2019. For details please refer to AC/9/21, paras 6 and 7.

⁶³ For details please refer to AC/9/21, para. 6.

operations, the Audit Committee recommended that the Court, in consultation with the Information Management Governance Board, intensify its efforts to fully implement all information security-related recommendations, in particular those with a high risk rating, and report to the Committee on the progress achieved at its eleventh session in 2020.

2. Follow-up on the recommendations made by the External Auditor

a) Unimplemented external audit recommendations

76. During the session, the representative of the External Auditor gave a presentation on the follow-up of external audit recommendations. During its mission in December 2018, the External Auditor followed up on the implementation of recommendations.

77. As regards the recommendations addressed to the Court, the External Auditor noted that two recommendations had been implemented, namely in relation to obtaining documentation of expenditure from the Victims and Witnesses Section and on the allowance for doubtful accounts and the cash received from the accused. However, seven recommendations remained unimplemented relating to:

- i. the recovery of arrears involving contributions (2017-1);
- ii. the indication in the notes on the annual accounts of more precise information on the terms of the pension insurance contract for judges (2017-2);
- iii. more precise indications in the notes of the annex of actuarial gains and losses (2017-3);
- iv. internal payroll control (2016-1);
- v. the formalization of checks and verifications at payroll level (2016-2);
- vi. the establishment of a maintenance plan for the premises (2015-3); and
- vii. the internal accounting control (SAP parametersetting and accounting staff stabilization) (2015-6).

78. As regards the recommendations addressed to the Trust Fund for Victims, the External Auditor noted that one recommendation on the precise justification of commitments related to reparations grants had been implemented. However, six recommendations remained unimplemented relating to:

- i. tightening control of the operations entrusted to partner NGOs (use of the reports of their auditors) (2016-2);
- ii. the financial training of field agents (2015-2);
- iii. tightening control of the operations entrusted to NGO partners (verification of the budget execution of the projects) (2015-3);
- iv. the reinforcement of field resources (2015-4);
- v. the delegation of administrative authority of the Registry (2014-1); and
- vi. the establishment of a table of responsibilities (2014-2).

79. As for the recommendations contained in the performance audit on human resources, which was carried out in 2018, the External Auditor believed that it was premature to follow-up on their implementation and decided to do so in May 2019.

b) Implementation of recommendations related to the Division of External Operations

80. At its fifth session in September 2017, the AC was of the opinion that, despite some positive outcomes in terms of implementing the ReVision project, only the reporting lines between the field and headquarters had been clarified, while further work on the clarification of roles and responsibilities was needed and constituted work in progress.

81. In line with a request by the AC,⁶⁴ the Court submitted the “Report of the Court on the External Auditor’s recommendations on the implementation of a Division of External Operations”.⁶⁵ The Court indicated that five out of six recommendations had been fully implemented. One partially implemented recommendation relates to the establishment of a Working Group on Extremism/Terrorism and the identification and application of Mission Planning Software Capacities. Full implementation is expected in 2019.⁶⁶

82. During the session, the AC discussed with the Director of the Division of External Operations, and in the presence of a representative of the External Auditor, the practical measures, which have been taken to enhance cooperation and coordination with the other organs and the implementation status of the recommendations related to the Division of External Operations as contained in the performance audit from July 2017.⁶⁷

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83. The AC noted with satisfaction the progress achieved in implementing the External Auditor’s recommendations, which contributed to increased Court-wide co-operation and co-ordination and a clarification of the roles and responsibilities within the Division of External Operations.

84. **The Audit Committee requested that the External Auditor continue closely monitoring the implementation of all outstanding recommendations and looked forward to discussing the progress made by the Court at its tenth session in July 2019.**

3. Follow-up on the implementation of recommendations made by the External Assessor

85. At its eighth session in August 2018, the AC requested that the OIA and the Court draft an action plan for the implementation of all the recommendations of the External Assessor and report thereon to the AC at its ninth session in March 2019.⁶⁸

86. The “Joint report of the Court and the OIA on action plans for the implementation of the External Assessor’s recommendations”⁶⁹ (the “Joint Report”) was submitted by the Court and the OIA. The annex of the Joint Report provided action plans for the implementation of the external assessor’s recommendations.

87. The AC noted that in the action plans the OIA/Court indicated the following recommendation status:

- 17 recommendations “implemented” (including eight as ongoing activities);
- one recommendation “in progress;”
- three recommendations are considered to be “ongoing activities”;
- three recommendations “closed;” and
- for one recommendation, the AC has been identified as recommendation holder.

88. In the Joint Report, the Court provided the following comment with respect to recommendation number 5 of the external assessor related to the audit coverage by the OIA of all four organs:

“While Court management acknowledges the importance of the OIA’s independence and compliance with internal audit standards, the heads of organs consider that the performance of audits addressing the main judicial functions and activities is not appropriate as it would infringe upon the

⁶⁴ AC/5/5, para. 48.

⁶⁵ AC/9/15.

⁶⁶ *Ibid.*, para. 7.

⁶⁷ Final Audit Report on the Implementation of a Division of External Operations (AC/5/7).

⁶⁸ AC/8/5, para. 53.

⁶⁹ AC/9/20.

independence required for the Court to carry out its core function. The OIA may, of course, continue performing audits related to the administrative and financial organization of judicial functions, as long as these engagements do not affect the independence and confidentiality of judicial operations.”

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89. **Having carefully reviewed the implementation status, action plans and comments provided by the OIA and the Court in the Annex of the Joint Report, the Audit Committee believed that all of the recommendations addressed to the OIA/the Court require further attention. The Audit Committee recommended that modifications as reflected in Annex III of the present report with regard to the implementation status be made, with a view to ensuring full and timely implementation of all recommendations made by the external assessor.**

90. **While taking note of the Court’s position on the coverage of audits and possible limitations, the Audit Committee strongly believed that in the interests of transparency and accountability, the OIA shall carry out audits in all organs of the Court in line with the “One-Court principle” with due respect for the principle of independence and possible confidentiality requirements.**

4. Follow-up on recommendations made by the Audit Committee

91. The AC considered the second edition of the “Register of Recommendations” of the AC published in February 2019 by the Executive Secretary. The “Register of Recommendations” is an updated log of all recommendations issued since the AC’s re-establishment.

92. The AC has generated 98 recommendations, covering all areas of the AC’s mandate, with a view to assisting the Court in improving its work. The recommendation log specifies the recommendation holder, the acceptance or rejection of a recommendation, the deadline for implementation and the implementation status for each recommendation.

93. Prior to the session, the Executive Secretary followed-up with the Court’s organs on the implementation of recommendations by sending a copy of the respective recommendations to the focal point in the Registry, or through direct contact with the respective section tasked with tackling the recommendation. During the session, the AC discussed with representatives of the Court the outstanding recommendations and timescale for their implementation.

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94. The AC noted that of the 98 recommendations made so far, two recommendations had been rejected by the Court by accepting the underlying risk. Of the 96 accepted recommendations, 68 recommendations (or 71 per cent) had been implemented, whereas six recommendations (or 6 per cent) had not been implemented or had been only partially implemented. The implementation of the remaining recommendations was pending, as the deadline for their implementation had not yet expired.

95. The AC decided to keep monitoring progress in terms of their implementation at its future sessions.

III. Other matters

A. Amendments to the Charter of the Audit Committee

96. The AC discussed amendments to its Charter and is intending to finalize its deliberations in the inter-sessional period. The AC decided that it would include the outcome of its deliberations on the amendments to the Charter in its Interim Report on the work of its tenth session in July 2019 for

consideration by the CBF at its thirty-third session and for approval by the Assembly at its eighteenth session.

B. Work plan for the tenth session of the Audit Committee

97. The tenth session of the AC is scheduled for 24 to 26 July 2019. The AC has decided to focus on the following matters during its tenth session: the Court's governance structure; the oversight of external audit matters, including the selection process for the External Auditor; the consideration of the financial statements of the Court and the TFV; as well as the performance audit report of the Court's budget management.

Annex I: Procedural matters related to the ninth session

A. Opening of the ninth session

1. In accordance with its Charter, the AC shall meet at least two times annually.⁷⁰ The AC held its ninth session from 21-22 March 2019 in The Hague.
2. During its ninth session, the AC considered the documentation listed in annex II of this report.

B. Election of officers

3. At its second session, the AC decided that the elections of the Chairperson and the Vice-Chairperson, as well as the appointment of the Rapporteur would take place during the first AC session of each calendar year.
4. For 2019, the AC elected by consensus Mr. Samir Abu Lughod (Jordan) as Chairperson and Ms. Margaret Wambui Ngugi Shava (Kenya) as Vice-Chairperson, in accordance with Part F of its Charter. The AC further appointed Ms. Elena Sopková (Slovakia) as Rapporteur.
5. The Executive Secretary to the Committee on Budget and Finance, Mr. Fakhri Dajani, acted as the Secretary to the Audit Committee and, together with his team, provided the substantive and logistical servicing support.

C. Adoption of the agenda

6. The AC adopted the following agenda for its ninth session:
 - 1) Opening of the session
 - (a) Election of officers
 - (b) Adoption of the agenda and organization of work
 - (c) Participation of observers
 - 2) Values and ethics
 - (a) Update on the outcome of the Court-wide survey on values and ethics and on the future steps for a revised values and ethics framework
 - 3) Risk management
 - (a) Annual review of the Court's corporate risk profile
 - i. Implementation and maintenance of an appropriate integrated risk management process by the management
 - ii. Update of the risk register with an outline of the mitigating measures
 - iii. Risk appetite and appropriate integrated risk management process
 - 4) Oversight of internal audit matters
 - (a) Audit reports from the Office of Internal Audit
 - (b) Annual activity report of the OIA for 2018 and implementation of the 2018 Audit Plan
 - (c) Progress update on the implementation of the 2019 Internal Audit Plan

⁷⁰ § 40 AC Charter.

- (d) Update on recommendations related to the Group Health Insurance Plan and on the staff satisfaction survey
- 5) Oversight of external audit matters
 - (a) Selection process for the External Auditor
- 6) Follow-up on previous recommendations
 - (a) Follow-up on internal audit recommendations
 - i. Report of the Court on the reduction of the backlog of unimplemented internal audit recommendations
 - ii. Update by the Court on the implementation of all information security-related recommendations
 - (b) Follow-up on the recommendations of the External Auditor, including a status update on the implementation of recommendations contained in the “Final Audit Report on the Implementation of a Division of External Operations” and a clarification of roles and responsibilities
 - (c) Follow-up on Audit Committee recommendations
 - (d) Follow-up on the action plan for the implementation of recommendations made by the external assessor
- 7) Other matters
 - (a) Amendments to the Charter of the Audit Committee
 - (b) Work plan of the tenth session of the Audit Committee.⁷¹

7. At its ninth session, the AC held four meetings. The session was attended by the following members:

- 1) Mr. Samir Abu Lughod (Jordan);
- 2) Mr. Aiman Ibrahim Hija (Australia);
- 3) Ms. Margaret Wambui Ngugi Shava (Kenya); and
- 4) Ms. Elena Sopková (Slovakia).

D. Participation of observers

8. The Vice-President of the Court, Judge Marc Perrin de Brichambaut, delivered the welcoming remarks on behalf of the Court focusing on the areas of risk management, internal and external audit matters, implementation of internal audit recommendation and values and ethics.

9. The Director of the Division of Management Services provided updates on the values and ethics framework, on risk management, including the annual review of the Court’s corporate risk provide and risk-mitigating measures, as well as on the implementation of recommendations related to the Group Health Insurance Plan. In addition, the Director of the Division of Management Services presented the Report of the Court on the reduction of the backlog of unimplemented internal audit recommendations, provided an update on the implementation of all information security-related recommendations and outlined the Court’s action plan for the implementation of recommendations addressed by the external assessor to the Court.

10. The representative of the External Auditor, Mr. Michel Camoin, briefed the AC on the implementation of recommendations made by the External Auditor, including on the status of recommendations contained in the “Final Audit Report on the Implementation of a Division of External Operations” and answered questions in relation to other agenda items, as appropriate.

⁷¹ AC/9/1.

11. The Director of the Office of Internal Audit summarized the main findings and recommendations of the audit reports, presented the “Report on Audit Related Activities of the Office of Internal Audit for 2018” and provided a status update on the implementation of the 2018 Internal Audit Plan and the 2019 Internal Audit Plan. Moreover, the Director of the Office of Internal Audit provided input on the implementation of internal audit recommendations and presented the action plan for the implementation of recommendations made by the external assessor.

12. The Committee wished to thank all observers for their presentations.

E. Annual report of the Audit Committee

13. In accordance with its Charter,⁷² the AC will submit its annual report to the CBF in September 2019, following the conclusion of its tenth session.

⁷² § 64 AC Charter.

Annex II: List of documents

<i>Document symbol</i>	<i>Title</i>
AC/9/1	Provisional agenda of the ninth session of the Audit Committee
AC/9/1/Add.1	Annotated provisional agenda of the ninth session of the Audit Committee
AC/9/2	Final Audit Report on the Audit on Travel Management
AC/9/3	Status of Implementation of the 2018 Audit Plan (30 September 2018)
AC/9/4	Office of Internal Audit 2018 Audit Plan (amended version of 15 October 2018)
AC/9/6	Office of Internal Audit 2019 Audit Plan (version of 15 October 2018)
AC/9/7	Final Report of the Audit on Logical Access Controls
AC/9/8	Status of implementation of the 2018 Audit Plan (20 December 2018)
AC/9/10	Final Audit Report on the Audit of Administrative and Financial Controls in the Field Offices
AC/9/11	Final Audit Report of the Audit on Physical and Environmental Protection
AC/9/12	Report of the Court on the Implementation of Internal Audit Recommendations as at 31 December 2018
AC/9/13	Report of the Court on the Internal Audit Recommendations related to the Audit on the Group Health Insurance Plan and the Service-incurred Death and Disability Insurance
AC/9/14	Report of the Court on its Risk Appetite in relation to Internal Audit Recommendations
AC/9/15	Report of the Court on the External Auditor's Recommendations on the Implementation of a Division of External Operations
AC/9/16	Statement on Independence and Objectivity of the Office of Internal Audit (1 January 2019)
AC/9/17	Office of Internal Audit: Report on Risk Management by the International Criminal Court
AC/9/18	Annual Report of the Office of Internal Audit: Implementation of Audit Recommendations - Situation as at 31 December 2018
AC/9/19	Report on the Audit Related Activities of the Office of Internal Audit in 2018
AC/9/20	Joint Report of the Court and the OIA on Actions Plans for the Implementation of the External Assessor's Recommendations
AC/9/21	Update on the Implementation of Internal Audit Recommendations on Information Security at the Court

AC/9/22	Office of Internal Audit: Risk Assessment exercise - Information Management Services Section (IMSS) March 2019
AC/9/23	Report of the Court on its Court-wide values and ethics framework
AC/9/24	Final Audit Report on the Audit of classification and dissemination of information
ICC-ASP/17/15	Report of the Committee on Budget and Finance on the work of its thirty-first session

Annex III: Implementation of recommendations by the external assessor¹

	#	<i>Recommendation</i>	<i>Owner</i>	<i>Status by the Court/OIA</i>	<i>Owner's comment / Implementation plan</i>	<i>Comments by the AC</i>	<i>Status as reviewed by the AC</i>
<i>Improvement of the Charter</i>	1	The OIA should work more proactively to maintain the timeliness of important matters and conclude the same, as recommended in this report, to meet the Standard-1000 for periodical reviews of the Charter.	OIA	In progress	The OIA will review the Charter before the tenth session of the Audit Committee and will modify it to reflect any relevant changes in the OIA's governance and practice.	The AC is looking forward to receiving the proposed amendments to the OIA Charter well in advance of its tenth session in track changes.	In progress.
	2	The OIA Charter should be made visible through the Court intranet to all departments and stakeholders.	OIA	Implemented	OIA Charter is now visible on the Intranet.	While the OIA Charter is visible on the Intranet of the Court, not all departments and stakeholders have access.	Not implemented.

¹ As included in AC/9/20, Annex.

	#	<i>Recommendation</i>	<i>Owner</i>	<i>Status by the Court/OIA</i>	<i>Owner's comment / Implementation plan</i>	<i>Comments by the AC</i>	<i>Status as reviewed by the AC</i>
	3	The Court management should prioritize important matters such as regular reviews of the Charter and liaise with the OIA in a timely fashion.	Management	Closed	This recommendation stems from the issue of confidentiality in the Charter of the OIA. It goes without saying that the Court sees no issues with the OIA sharing audits with the Audit Committee. Notwithstanding, the OIA should be able to have a certain margin of discretion regarding audits which, while they may not result from judicial and core activities, may still concern them indirectly. Although we cannot provide any concrete examples at present, this narrow margin is prudent to have, should the need arise. The Court imagines that the OIA could mention a specific audit but, where necessary, inform the Audit Committee where sensitive material pertaining to judicial and core activities is concerned, and which would require the Principals' prior approval. The Court would thus safeguard the important principle of transparency while preserving the Court's most sensitive judicial and core functions.	The Court should provide timely input for the review of the OIA Charter and liaise with the OIA in a timely manner to give it access to all documentation with due respect for the principles of independence and confidentiality.	In progress.
<i>Audit coverage by the OIA in the four organs of the ICC</i>	4	The OIA should ensure the performance of its assurance and consulting engagements for all four organs of the ICC, as per the mandate of the Charter.	OIA	Implemented	In 2018, two engagements were made: one covered only the OTP and the other (classification and dissemination of information) heavily involved all four organs. In the last quarter of 2018, the OIA met with the President and the Registrar to discuss the implementation of this recommendation. OIA will consider amendments to its Charter to reflect the limitations placed on the audit of independent and confidential judicial or pre-judicial activities.	In line with § 57a of its Charter, the Audit Committee shall review and approve the internal audit charter at least once every two years. The charter should be reviewed to ensure that it is consistent with changes in the Court's financial, risk management, and governance arrangements and reflects developments in internal audit professional practices.	Ongoing.

	#	<i>Recommendation</i>	<i>Owner</i>	<i>Status by the Court/OIA</i>	<i>Owner's comment / Implementation plan</i>	<i>Comments by the AC</i>	<i>Status as reviewed by the AC</i>
<i>Audit coverage by the OIA in the four organs of the ICC</i>	5	The Court's management should enable the OIA to audit the main functions of the OTP, Presidency and Chambers, within the constraints imposed by the requirements of each organ for independence and confidentiality.	Management	Closed	<p>The OIA presented to the heads of organs the context and reasons that led the external assessor to issue this recommendation. While the Court's management acknowledges the importance of the OIA's independence and compliance with internal audit standards, the heads of organs consider that the performance of audits addressing the main judicial functions and activities is not appropriate as it would infringe upon the independence required for the Court to carry out its core function.</p> <p>The OIA may, of course, continue performing audits related to the administrative and financial organization of judicial functions, as long as these engagements do not affect the independence and confidentiality of judicial operations.</p>	While taking note of the Court's position on the coverage of audits and possible limitations, the Committee was of the strong conviction that in the interests of transparency and accountability, the OIA shall carry out audits in all organs of the Court in line with the "One-Court principle" with due respect for the principle of independence and possible confidentiality requirements.	Ongoing.
<i>Minutes of meetings / records of interaction between OIA and AC</i>	6	The OIA shall continue to have access to the AC report and register of recommendations.	AC		-	The OIA receives all interim and annual reports of the Audit Committee.	Implemented

	#	<i>Recommendation</i>	<i>Owner</i>	<i>Status by the Court/OIA</i>	<i>Owner's comment / Implementation plan</i>	<i>Comments by the AC</i>	<i>Status as reviewed by the AC</i>
	7	The OIA shall document its interactions with the Audit Committee for its own records and comply with IIA Standard - 1111 and a strategy will be developed to address the decisions taken at AC meetings to ensure OIA accountability.	OIA	Implemented (ongoing)	<p>The OIA will continue to communicate in writing (by email and through reports) with the Audit Committee through the latter's Executive Secretary, in accordance with the protocol established by the Audit Committee.</p> <p>The OIA will archive all correspondence and contacts with Audit Committee members, in particular at Audit Committee meetings, to demonstrate conformity with Standard 1111.</p> <p>Strategy to address decisions taken at Audit Committee meetings: the OIA will refer to Audit Committee reports to develop strategies and action plans with a view to addressing the Audit Committee's decisions.</p>	-	In progress
<i>Efficiency and effectiveness of available OIA resources</i>		<i>The OIA should improve the coverage of audits and ensure that this is extensive across all the organs. It can be achieved through the following measures:</i>				The AC will follow up on the coverage of audits when approving the Internal Audit Plans of the OIA.	

	#	Recommendation	Owner	Status by the Court/OIA	Owner's comment / Implementation plan	Comments by the AC	Status as reviewed by the AC
<i>Efficiency and effectiveness of available OIA resources</i>	8	Increase the efficiency and effectiveness of the audit process by reducing the number of days planned for each audit assignment.	OIA	Implemented (ongoing)	The OIA is constantly exploring different ways to improve efficiency in the delivery of its mandate through quality workshops. In 2018, the OIA chose to modify the format of its audit report for a leaner version in order to shorten the duration of the reporting phase, in particular the provision of comments from auditees. The OIA will endeavour to reduce the duration of audits in the preparation of the 2020 audit plan while respecting the established SOP on Participation in audits and follow-up of audit recommendations. The OIA will continue to seek ways to become more efficient in the phases of an audit over which an auditor has the most control. The OIA will keep recording the time spent on the engagements and, where applicable, the reasons for any delays.	The OIA should summarize for each audit in an overview table: (a) the topic of the audit assignment, (b) the actual time spent on each audit; (date from-to); (c) the planned versus actual working days; (d) reasons for delays (if any); and (e) any other relevant factors that the Committee should be aware of.	In progress.
	9	Develop audit tools in advance to reduce the preparation time.	OIA	Implemented	As Lochan & Co did not specify what tools the OIA should implement, the OIA has continued to explore ways of becoming more efficient. With respect to tools, the OIA has taken the following action: <ul style="list-style-type: none"> - Templates have been adjusted for information collection; - New organization of TeamMate has been set up to facilitate the documentation of audit engagements; - The OIA has modified the format of its audit reports in favour of a leaner version. 	The OIA should monitor whether the measures taken were helpful to reduce the preparation time.	In progress.

	#	<i>Recommendation</i>	<i>Owner</i>	<i>Status by the Court/OIA</i>	<i>Owner's comment / Implementation plan</i>	<i>Comments by the AC</i>	<i>Status as reviewed by the AC</i>
	10	OIA shall appoint an audit assistant instead of an assistant without auditing skills, to increase its capacity to undertake audits.	OIA	Implemented	There is a standardized Court work survey for the position of "Audit Assistant" that classifies it as a GS-OL 6 position on the basis of the tasks performed (administrative and financial activities including the follow-up of audit recommendations and contribution to the performance of audits under the supervision of auditors). The recruitment process is supervised by the Human Resources Section (HRS) that reviews the vacancy notice against the work survey. The selection of applicants is handled by panel interview members and the HRS according to the criteria for skills, competencies and experience established in the work survey. Changing the responsibilities of the incumbent would require a full review of the work survey and the initiation of a reclassification process for this position that would be subject to a review and approval by the Committee on Budget and Finance and the Assembly of State Parties. The incumbent has experience in internal control framework design and evaluation that complies with the work survey criteria. The Audit Assistant will be further trained on the job for undertaking audits.	The Audit Assistant should be trained on the job to be able to eventually undertake audits.	Not implemented
	11	OIA may request additional resources if there is a need to cover an extended scope of audit as per the Charter mandate and once 100% efficiency has been reached.	OIA	Ongoing activity	The OIA will request resources to engage external consultants if the competencies and skills required to perform assurance or consulting engagements in an approved annual audit plan are not available within the core OIA team.	-	Ongoing.

	#	Recommendation	Owner	Status by the Court/OIA	Owner's comment / Implementation plan	Comments by the AC	Status as reviewed by the AC
	12	The OIA should plan to hire external consultants, as provided for in the Charter of OIA, to bring external expertise if required in consultation with Audit Committee.	OIA	Ongoing activity	The OIA will consult the Audit Committee should external resources be required to conduct specific engagements outside the pool of competencies of the OIA auditors.	The Audit Committee would consider the use of external resources, if required and requested by the OIA.	Ongoing.
	13	The OIA should ensure that it undertakes the audits as per the approved internal audit plan and obtains formal approval from the AC prior to amending the approved plan.	OIA	Implemented (ongoing)	All amendments to the OIA work plan will be submitted to the Audit Committee for formal approval.	All amendments of approved audit plans should be submitted for prior approval by the AC.	Continuous.
	14	The Court's management should put in place an efficient response system for providing timely information, allocate resources to get the internal audits done and provide the timely management responses to close the audit reports on time from the various departments of the four organs.	Management	Implemented	<p>In 2018, the SOP on Participation in audits and follow-up of audit recommendations was updated to reflect lessons learned and in response to a recommendation from the Audit Committee. The changes in the SOP include the following:</p> <ul style="list-style-type: none"> • Timely delivery of information to the OIA is specified; • Responsibilities and timelines for key stakeholders are further clarified. <p>This change addressed the recommendation of the external assessor.</p>	The AC will continue monitoring the implementation of the SOP on Participation in audits and the follow-up of audit recommendations.	In progress.

	#	<i>Recommendation</i>	<i>Owner</i>	<i>Status by the Court/OIA</i>	<i>Owner's comment / Implementation plan</i>	<i>Comments by the AC</i>	<i>Status as reviewed by the AC</i>
<i>Statement of Independence & Objectivity / Declaration of Conflict of Interest</i>	15	OIA should ensure the Statement of Independence and Objectivity is submitted to the AC on an annual basis and maintain the records of such submissions as for 2018.	OIA	Implemented (ongoing)	The OIA has submitted a Statement of Independence and Objectivity for the Audit Committee session of March 2019.	-	Continuous
	16	OIA should obtain a declaration of conflict of interest from the auditor in charge of each audit assignment as per their guidelines. This will result in more transparency in the audit procedures and performance.	OIA	Implemented (ongoing)	This new procedure for the declaration of conflict of interest has been implemented for all assignments since July 2018.	-	Continuous
<i>Assuming management responsibilities</i>	17	OIA should refrain from assuming management responsibilities even for an internal memorandum, and the OIA should be careful while undertaking advisory work and avoid any management role.	OIA	Implemented (ongoing)	The Director, OIA, will keep ensuring that internal auditors do not assume managerial responsibilities when undertaking assurance and advisory engagements.	The AC will continue monitoring the implementation of this recommendation and, in particular, pay attention to possible conflicts of interest of the OIA as a result of undertaking advisory work.	Continuous
<i>Receipt of information from process owners and management response</i>	18	Court management should ensure that the requisite information/management responses are provided in a timely manner to maintain the efficiency and effectiveness of the OIA function.	Management	Implemented	Please refer to recommendation 14.	The AC noted on several occasions that the Court does not always provide the OIA with access to information in a timely manner. The AC will continue to monitor the implementation of this recommendation.	Continuous

	#	<i>Recommendation</i>	<i>Owner</i>	<i>Status by the Court/OIA</i>	<i>Owner's comment / Implementation plan</i>	<i>Comments by the AC</i>	<i>Status as reviewed by the AC</i>
<i>Implementation of audit recommendation</i>	19	The Court management should ensure that audit recommendations are implemented in a timely manner to ensure the effectiveness of the internal audit function.	Management	Implemented	Please refer to recommendation 14.	The implementation of recommendations takes longer than it should.	Ongoing
	20	The OIA shall increase the frequency of follow up (rather than a yearly exercise) to have the recommendation implemented on time to avoid situations where recommendations lose their relevance or audit recommendations are not accepted by management.	OIA	Implemented (ongoing)	As from 2019, the follow-up exercise will take place twice a year. Additionally, the OIA team performs this exercise on an “ongoing” basis, when recommendation owners inform the OIA of a possible change in the status of an audit recommendation.	AC notes with satisfaction that the OIA will follow-up twice a year and on an <i>ad hoc</i> basis,	In progress
<i>Engagement of external consultants</i>	21	The OIA shall assess the need for any external consultants to cover its scope of work as per the mandate of the Charter, and include the same in its yearly plan and submit it to Audit Committee for consideration before it is sent to the CBF for its recommendation submitted to the Assembly.	OIA	Ongoing activity	The OIA will request resources for the recruitment of external consultants if the competencies required for the performance of planned audits or other engagements are not available within the OIA team. The OIA will inform the Audit Committee of this need for additional resources through its annual audit plan.	The Audit Committee would consider the use of external resources, if required and requested by the OIA.	Ongoing
<i>Internal assessment / Communication of results of internal assessment to AC</i>	22	The OIA should ensure that the internal self-assessment is undertaken every two to three years.	OIA	Implemented (ongoing)	As an external assessment was performed in 2018, the next self-assessment will be done in 2020 unless the Institute of Internal Auditors issues new standards or modifies the existing ones.	-	Ongoing
	23	The OIA should ensure that they communicate the results of the periodic internal self-assessments to the AC.	OIA	Implemented	The OIA has included a section on the results of the periodic internal self-assessment in its annual report to the AC (see OIA report 2018).	-	In progress

	#	<i>Recommendation</i>	<i>Owner</i>	<i>Status by the Court/OIA</i>	<i>Owner's comment / Implementation plan</i>	<i>Comments by the AC</i>	<i>Status as reviewed by the AC</i>
<i>Participation of Director OIA in Coordinating Council (CoCo) meetings</i>	24	The Court management should invite the Director OIA to participate in Coordination Council (CoCo) meetings and provide both the agenda and the minutes of meetings held to Director OIA to increase the efficiency and effectiveness of OIA.	Management	Closed	This request has been addressed by the Court and was reported to the Audit Committee (AC/4/16). The CoCo is established through the Regulations of the Court under the Rome Statute. Regulation 3 of the Regulations provides that the composition of the CoCo is restricted solely to the President (on behalf of the Presidency), the Prosecutor and the Registrar. Staff members take part only insofar as they are needed to provide information in support of the Principals' discussions and coordination, and to assist administratively. The CoCo's decisions are communicated subsequently to all relevant individuals and bodies for implementation. ² It is worth mentioning that the Director OIA has observer status on the Risk Management Committee, which allows direct involvement in the internal body where strategic issues related to risk management are discussed and which are directly relevant to the work of the OIA.	-	Not implemented
<i>Records for annual risk assessment</i>	25	OIA should ensure that its risk assessment is performed on an annual basis and that records are maintained for the same for future reference.	OIA	Implemented	Further to this recommendation, the OIA has added the yearly risk assessment to the audit documents that are recorded according to the policy established by the Court for the archiving of documents (Records retention and disposal policy (ICC/AI/2015/002)). This policy states that operational documents should be recorded for a period of 10 years.	-	In progress

² AC/4/16, para.3.