

Annex I

Amended Charter of the Audit Committee

A. Introduction

1. The Audit Committee plays an important role in providing oversight of the governance, risk management, and internal control practices of the International Criminal Court (“the Court”). This oversight mechanism also serves to provide confidence in the integrity of these practices. The Audit Committee performs its role by providing independent advisory and assurance services to the Assembly of States Parties (“the Assembly”). The mandate of the Audit Committee derives from the Assembly’s approval of the recommendations of the Committee on Budget and Finance (“CBF”).⁵²

B. Mandate and purpose

2. The Audit Committee assists the Assembly by reviewing and providing advice and guidance on the adequacy of the Court’s practices in relation to:

- (a) Governance structure;
- (b) Risk management;
- (c) Ethics;
- (d) Internal control framework;
- (e) Oversight of internal audit;
- (f) Oversight of external audit; and
- (g) Financial statements and public accountability reporting.

3. The list of mandates is non-exhaustive. The Audit Committee is empowered to address issues as needed to achieve its mandate and purpose.

4. The detailed responsibilities of the Audit Committee under this mandate and purpose are set out in Section L.

C. Authority

5. The authority of the Audit Committee to perform its work is established within the scope of its Charter. In discharging its responsibilities, the Audit Committee shall have unrestricted access to members of Court management and staff, as well as all relevant information it considers necessary to discharge its duties. The Audit Committee also shall have unrestricted access to records, data, and reports.

6. The Audit Committee is entitled to receive all such explanations from the Court’s management and staff that it deems necessary to discharge its responsibilities.

7. The Audit Committee may engage independent counsel and/or other advisers and consult the Committee on Budget and Finance as it deems necessary to carry out its duties on a cost-neutral basis.

D. Composition of the Audit Committee

8. The Audit Committee shall consist of five external members from States Parties to the Rome Statute. All members of the Audit Committee shall act in accordance with their professional judgement and be independent of States Parties and of the Court.

⁵² *Official Records ... Thirteenth session ... 2014* (ICC-ASP/13/20), vol. II, part B.2, para. 134.

9. The members should collectively possess sufficient knowledge of audit, finance, IT, law, risk and control. As the responsibilities of the Audit Committee evolve in response to regulatory, economic and reporting developments, it is important that members' competencies and the overall balance of skills on the Committee be periodically evaluated to respond to emerging needs.

E. Selection of the Audit Committee members through a competitive process

10. Candidates are selected based on merit with careful consideration being given to geographical representation and gender balance.

11. A Selection Panel will be established comprising of:

- The President of the Assembly or the Vice-President of the Assembly in The Hague/Coordinator of The Hague Working Group;
- The Registrar (or his/her representative)
- The facilitator for the budget (or his/her representative).

12. The Selection Panel shall: approve a vacancy announcement to be circulated to States Parties and posted on the website of the Court and on a professional network such as LinkedIn for a period of two months; review the applications received against the published criteria; approve a short list for closer evaluation, including a possible interview; and recommend candidate(s) for approval by the Assembly.

F. The Chair and the Vice-Chair of the Audit Committee

13. Each year, at its first meeting, the Committee shall elect a Chairperson and a Vice-Chairperson from among its members.

14. The Chairperson and the Vice-Chairperson shall be elected for a term of one year. They shall be eligible for re-election twice.

15. In the absence of the Chairperson, the Vice-Chairperson shall take his/her place.

16. If the Chairperson or the Vice-Chairperson ceases to be able to carry out his/her functions or ceases to be a member of the Audit Committee, he/she shall cease to hold such office and a new Chairperson or Vice-Chairperson shall be elected for the unexpired term.

17. A Vice-Chairperson acting as Chairperson shall have the same powers and duties as the Chairperson.

18. The Chairperson, in the exercise of his/her functions, remains under the authority of the Audit Committee.

19. In addition to exercising the powers conferred upon him/her elsewhere in these rules, the Chairperson shall declare the opening and closing of each meeting of the Audit Committee, direct the discussions, ensure the observance of these rules, accord the right to speak, put questions to the vote and announce decisions. He/she shall rule on points of order and, subject to these rules, shall have complete control of the proceedings of the Audit Committee and over the maintenance of order at its meetings. The Chairperson may, in the course of the discussion of an item, propose to the Audit Committee the limitation of time to be allowed to speakers, the limitation of the number of times each member may speak on any question, the closure of the list of speakers or the closure of the debate. He/she may also propose the suspension or the adjournment of the meeting or of the debate on the question under discussion.

20. The Chairperson shall represent the Audit Committee at a virtual annual meeting with the Chairperson of the Committee on Budget and Finance, to discuss their respective programmes of work and identify areas for knowledge-exchange, cooperation and synergies. The Chairperson will include a brief report of this meeting in the annual report to the Assembly.

21. The Chairperson shall represent the Audit Committee at relevant meetings.

G. Terms of Office

22. The term of office for an Audit Committee member shall be three years. Members of the Audit Committee may not serve more than two terms.

H. Secretariat services to the Audit Committee

23. The Committee is assisted by the ASP Secretariat.

I. Operational principles of the Audit Committee

1. Audit Committee code of ethics

24. The Audit Committee shall conduct itself in accordance with the code of ethics of the Court, and with international standards.

2. Communications

25. The Audit Committee expects that all communication with management and staff of the Court, as well as with any external assurance providers, will be direct, open, and complete.

3. Information requirements

26. The Audit Committee shall establish and communicate its information requirements. These shall include the nature, extent, and timing of such information requirements. Information shall be provided to the Audit Committee at least six weeks prior to each meeting.

4. Access to officials

27. The Audit Committee shall have such unrestricted access to officials of the Court as may be required to discharge their duties.

5. Incompatible activities

28. Members of the Audit Committee shall have no financial interest in any activity relating to matters upon which the Audit Committee has the responsibility to make recommendations. Members of the Audit Committee shall not be eligible to assume any other functions at the Court.

6. Conflict(s) of interest

29. It is the responsibility of the Audit Committee member to disclose a conflict of interest or the appearance of a conflict of interest to the Audit Committee. If there is any question as to whether Audit Committee member(s) should recuse themselves from a vote, the Audit Committee shall vote to determine whether the member should recuse himself or herself.

7. Confidentiality

30. Members of the Audit Committee shall not disclose, even after termination of their functions, any confidential information coming to their knowledge by reason of their duties for the Audit Committee.

J. Operational Procedures

1. Meetings

31. The Audit Committee shall meet when required and at least two times annually at the seat of the Court.

2. Convening of sessions

32. Sessions of the Audit Committee shall be convened at the request of the majority of the members of the Audit Committee, the Chairperson of the Audit Committee, or at the request of the Assembly.

33. Before the Chairperson makes a request to convene a session of the Audit Committee, he/she shall consult the members of the Audit Committee, including on the date and duration of the session.

34. Any session of the Audit Committee called pursuant to a request of the Assembly shall be convened as soon as possible but no later than 60 days from the date of the request.

3. Quorum and decision-making

35. The quorum for the Audit Committee shall be a majority of the members.

36. As a general rule, decision-making in the Audit Committee should be by consensus. If all efforts to reach a decision by consensus have been exhausted, decisions shall be taken by a majority of members present and voting.

37. Each member of the Audit Committee, including the Chairperson, shall have one vote.

38. If a vote is equally divided, the proposal or motion shall be regarded as rejected.

4. Agenda

39. The provisional agenda for each session of the Audit Committee shall be drawn up by the ASP Secretariat, in consultation with the Chairperson, and shall include:

- (a) All items proposed by the Audit Committee; and
- (b) All items proposed by the CBF and by the Assembly.

40. The provisional agenda for each session of the Audit Committee shall be communicated to its members and the Court as early as possible in advance of the session, but at least 21 days before the opening of the session. Any subsequent change in or addition to the provisional agenda shall be brought to the notice of the members of the Audit Committee sufficiently in advance of the session.

41. At the beginning of each session the Audit Committee shall adopt its agenda for the session, on the basis of the provisional agenda. The Audit Committee may, if necessary, amend the agenda.

K. Compensation of the Audit Committee members

42. Members of the Audit Committee shall work on a *pro bono* basis, with the Court being responsible for travel, accommodation and related costs. Travel costs must comply with the Court's travel policy.

L. Responsibilities of the Audit Committee

43. It is the responsibility of the Audit Committee to provide the Assembly with independent, objective advice on the adequacy of Court management's arrangements with respect to the following aspects:

1. Governance of the Court

44. To obtain reasonable assurance with respect to the Court’s governance arrangements, the Audit Committee shall review and provide advice on the governance arrangements established and maintained within the Court and the procedures in place to ensure that they are operating as intended.

2. Risk management

45. To obtain reasonable assurance with respect to the Court’s risk management arrangements, the Audit Committee shall:

a) 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;

b) Provide oversight on significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by senior management;

c) Review the Court’s corporate risk profile as it is updated; and

d) Obtain from the Internal Auditor an annual report on management’s implementation and maintenance of an appropriate integrated risk management process.

3. Ethics

46. To obtain reasonable assurance with respect to the Court’s ethics practices, the Audit Committee shall:

(a) Review and assess the policies, procedures, and practices established by the governing body to monitor conformance with its code of conduct and ethical policies by all Court’s managers and staff;

(b) Provide oversight of the mechanisms put in place by management to establish and maintain high ethical standards for all Court’s managers and staff; and

(c) Review and provide advice on the systems and practices established by management to monitor compliance with laws, regulations, policies, and standards of ethical conduct and identify and deal with any legal or ethical violations.

4. Internal control framework

47. To obtain reasonable assurance with respect to the Court’s management control framework, the Audit Committee shall:

(a) Review and provide advice on the Court’s overall and management units’ internal control arrangements; and

(b) Receive reports on all matters of significance arising from work performed by others who provide financial and internal control assurance to senior management.

5. Oversight of internal audit

48. The Office of Internal Audit shall report to the Principals of the Court.

49. The Audit Committee shall remain responsible for overseeing the adequacy of the Court’s internal audit function and its independence in order to obtain reasonable assurance with respect to its internal audit activity:

(a) Review the internal audit charter when amended for its approval by the Principals. 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;

(b) Review and provide input on internal audit's strategic plan, programme goals, performance measures, and outcomes;

(c) Is consulted/Review the annual plan submitted by the Director of the Office of Internal Audit before its approval by the Principals;

(d) Advise the Court regarding the qualifications and recruitment, retention and release of the Director of the Office of Internal Audit;

(e) Provide input to the Registrar on the performance appraisal of the Director of the Office of Internal Audit;

(f) Review internal audit reports and other communications to management;

(g) Review and track management's action plans to address internal audit recommendations in a timely and substantive manner;

(h) Enquire from the Director of the Office of Internal Audit whether any internal audit engagements or tasks have been carried out that did not result in a report to the Audit Committee. If such activity has taken place, enquire as to the matters of significance, if any, arising therefrom;

(i) Enquire from the Director of the Office of Internal Audit about steps taken to ensure that the audit activity is consistent with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing Standards; and

(j) Is consulted during the selection of the external assessor every five years to assess the performance of the Office of Internal Audit and receives the external assessor's report for its information.

6. Oversight of external audit

50. To obtain reasonable assurance with respect to the work of the External Auditor, the Audit Committee shall meet with the External Auditor during planning of the audit, the presentation of the audited financial statements, and the discussion of the letter to management on recommendations as required under international standards.

51. The Audit Committee shall review regular reports on the progress of implementing approved management action plans and audit recommendations resulting from completed external audits.

52. The Audit Committee shall examine and monitor of the independence of the External Auditor and of his recommendations, as well as of any other questions raised by the External Auditor.

53. The Audit Committee shall make recommendations to the Assembly concerning the nomination of the External Auditor.

7. Financial statements and public accountability reporting

54. The Audit Committee is responsible for oversight of the independent audit of the Court's financial statements, including but not limited to overseeing the resolution of audit findings in areas such as internal control, legal and statutory compliance, and ethics.

8. Other responsibilities

55. In addition, the Audit Committee shall:

(a) Perform other activities related to this charter as requested by the Assembly including providing input into the terms of reference, selection,

performance of work, review of recommendations and monitoring of implementation of recommendations of external assurance providers; and

- (b) Regularly evaluate its own performance and that of individual members.

9. Reporting the work of the Audit Committee to the Assembly

56. The Chairperson on behalf of the Audit Committee shall:

- (a) Make an annual report to the Assembly summarizing its activities and recommendations;

- (b) The report should include:

- (i) A summary of the work performed by the Audit Committee to fully discharge its responsibilities during the preceding year;

- (ii) A summary of the Court's progress in addressing corrective actions on the findings and recommendations made in internal and external audit reports;

- (iii) An overall assessment of the Court's risk, control, and compliance framework, including details of any significant emerging risks or legislative changes impacting the Court; and

- (iv) Details of meetings, including the number of meetings held during the relevant period and the virtual meeting between the Chairperson and the Chairperson of the Committee on Budget and Finance.

57. The Audit Committee may, at any time, report to the Assembly any other matter it deems of sufficient importance.

M. Languages

58. The working languages of the Committee shall be the official working languages of the Court.

59. All recommendations and other documents of the Audit Committee shall be published in the official languages of the Court, unless otherwise decided by the Chairperson of the Audit Committee.