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FINANCE COMMITTEE

Hundred and Seventy-third Session

Rome, 12 - 16 November 2018

**Progress Report on the Appointment of the External Auditor for
the Period 2020-2025**

Queries on the substantive content of this document may be addressed to:

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EXECUTIVE SUMMARY

- At its 170th Session in May 2018, the Finance Committee reviewed and noted the arrangements for the selection and appointment of the External Auditor for the period 2020-2025. The Committee requested that the Secretariat initiate the selection process and present a progress report at its next regular session.
- This document presents a brief update on the activities completed to date as part of the selection process and the schedule of activities still to be performed.

GUIDANCE SOUGHT FROM THE FINANCE COMMITTEE

- The Committee is invited to take note of the information provided in this document.

Draft Advice

The Committee:

- noted that the first stage of the selection process, *invitation for proposals*, had been completed within the agreed timeframe; and
- took note of the arrangements for the next stage in the process, *review of proposals* by a working group of Finance Committee Members during November 2018 which would determine how many proposals would be included in a shortlist of bidders to be invited to deliver an oral presentation to the Finance Committee at its Session in March 2019.

1. At its 170th Session in May 2018, the Finance Committee reviewed and noted the arrangements for the selection and appointment of the External Auditor for the six-year period 2020-2025. The Committee requested the Secretariat to initiate the selection process by inviting proposals from eligible Auditors-General of Members of FAO and to present a progress report on the Selection and Appointment Process at its next regular session.

2. The table below summarises the status of each stage of the selection process as compared with the indicative time frame presented to the Finance Committee at its 170th Session. The status indicator reflects the situation as at the end of September 2018 when this document was prepared.

Milestone Event	Time Frame	Action by	Status
Invitation for Proposals	August 2018	Secretariat	Completed
Receipt of Proposals	September 2018	Secretariat	Completed
Preparation of Comparative Analysis	October 2018	Secretariat	Planned
Review Bids and Prepare Shortlist	November 2018	Finance Committee Working Group	Planned
Oral presentation, evaluation and recommendation	March 2019	Finance Committee	Planned
Appointment by the Council	April 2019	Council	Planned

3. In August 2018, in accordance with the agreed process, the Organization sent invitations, along with pertinent information, to all Members with a request to submit possible proposals for the provision of external audit services by no later than 30 September 2018.

4. In October 2018, the Secretariat will prepare a comparative analysis of bids received based upon the application of the agreed weighted evaluation criteria for the consideration of the Finance Committee.

5. In November 2018, a shortlist of the best proposals will be drawn up by a working group comprising the Secretariat and a regionally representative group of Committee members. The working group should determine how many proposals to include in the shortlist and the shortlisted bidders will be invited to deliver an oral presentation to the Finance Committee at the session scheduled for March 2019. Taking into account all information obtained in relation to short-listed proposals, the Finance Committee will present its report and recommendation to the Council.

6. On the basis of the evaluation and recommendation of the Finance Committee, the Council will decide upon and approve the appointment of the External Auditor.