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# FINANCE COMMITTEE

**Hundred and Forty-seventh Session**

**Rome, 5 - 9 November 2012**

**Selection and Appointment of the External Auditor**

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

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### EXECUTIVE SUMMARY

- At its 143rd Session in May 2012, the Finance Committee confirmed the proposed arrangements for the selection and appointment of the External Auditor for the period 2014-19 and requested that the Secretariat initiate the selection process.
- 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.

1. At its 143rd Session in May 2012, the Finance Committee confirmed the proposed arrangements for the selection and appointment of the External Auditor for the period 2014-19 and requested that the Secretariat initiate the selection process by inviting proposals from eligible Auditors-General of Members of FAO.
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 143rd Session. The status indicator reflects the status as at the end of August 2012 when this document was prepared.

<b>Milestone Event</b>	<b>Time Frame</b>	<b>Action by</b>	<b>Status</b>
Invitation for Proposals	August 2012	Secretariat	Completed
Receipt of Proposals	September 2012	Secretariat	In Progress
Preparation of Comparative Analysis	October 2012	Secretariat	Planned
Review Bids and Prepare Shortlist	November 2012	Finance Committee Working Group	Planned
Oral presentation, evaluation and recommendation	March 2013	Finance Committee	Planned
Appointment by the Council	April 2013	Council	Planned

3. In accordance with the agreed process, the Organization sent invitations, including pertinent information, to all Members at the beginning of August 2012 with a request that they submit proposals for the provision of external audit services. Members were requested to submit proposals by no later than 30 September 2012.
4. In October 2012, 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 2012, 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 2013. 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.