



International Oil Pollution
Compensation Funds

Agenda Item 6	IOPC/MAY23/6/1	
Date	20 March 2023	
Original	English	
1992 Fund Assembly	92AES27	●
1992 Fund Executive Committee	92EC80	
Supplementary Fund Assembly	SAES11	●

ELECTION OF MEMBERS OF THE JOINT AUDIT BODY

Procedures

Note by the Director

Summary:

At their October 2001 sessions, the governing bodies decided to establish a joint Audit Body to provide expert advice and enhance the effectiveness of Member States' oversight in the key areas of internal control, financial reporting and risk management (document 92FUND/A.6/28, paragraph 12.5).

In accordance with the Composition and Mandate of the Audit Body, the joint Audit Body of the 1992 Fund and the Supplementary Fund is composed of seven members elected by the 1992 Fund Assembly: six named individuals nominated by 1992 Fund Member States, and one named individual not related to the organisations, with expertise and experience in financial and audit matters (an 'external expert'), nominated by the Chair of the 1992 Fund Assembly.

The members of the joint Audit Body will hold office for three years, once renewable, while the external expert shall hold office for three years, twice renewable. The term of office of the present members of the Audit Body will expire at the November 2023 sessions of the IOPC Funds' governing bodies. Four of the current members of the Audit Body appointed in December 2020 would be eligible to be nominated for a second term.

The Director shall issue a circular shortly after the May 2023 meeting informing 1992 Fund Member States that nominations of candidates for election to the Audit Body, accompanied by their curriculum vitae, should be submitted to him by 15 September 2023 at the latest. In the circular attention will be drawn to the fact that nominations can only be made by 1992 Fund Member States. Present members of the Audit Body who wish to be re-elected for a second term of three years will also need to be nominated by 1992 Fund Member States.

Mrs Alison Baker was appointed as the external expert of the Audit Body for a for a term of three years from 1 January 2022 to 31 December 2024.

Action to be taken: 1992 Fund Assembly and Supplementary Fund Assembly

Information to be noted.

1 Introduction/Background information

- 1.1 At their October 2001 sessions, the governing bodies decided to establish, in line with best corporate governance practice, a joint Audit Body to provide expert advice and enhance the effectiveness of Member States' oversight in the key areas of internal control, financial reporting and risk management (document 92FUND/A.6/28, paragraph 12.5). The first election of members of this Audit Body was held in October 2002.
- 1.2 In accordance with the Composition and Mandate of the Audit Body, the joint Audit Body is composed of seven members elected by the 1992 Fund Assembly for three years: six named individuals nominated by 1992 Fund Member States, and one named individual not related to the organisations, with expertise and experience in financial and audit matters (an 'external expert'), nominated by the Chair of the 1992 Fund Assembly. The members of the joint Audit Body will hold office for three years, once renewable, while the external expert shall hold office for three years, twice renewable.
- 1.3 The joint Audit Body normally meets three times a year to review the adequacy and effectiveness of the organisations regarding key issues of management and financial systems, financial reporting, internal controls, operational procedures and risk management, and to review the organisations' Financial Statements and reports. It also considers all relevant reports by the External Auditor, including reports on the organisations' Financial Statements. The Audit Body reports to the governing bodies at their regular sessions.
- 1.4 The term of office of the present members of the Audit Body will expire at the November 2023 sessions of the governing bodies and an election of the members for a new term of office will take place at the same session of the 1992 Fund Assembly.
- 1.5 The current Composition and Mandate of the joint Audit Body, as amended by the governing bodies at their April 2019 sessions, is set out at the Annex to this document.

2 Current composition of the joint Audit Body

- 2.1 Four members of the current Audit Body would be eligible to be nominated by Member States for a second term. The members of the current Audit Body that were elected in 2020 (document IOPC/NOV20/11/2, paragraph 6.1.31), and are listed below:

Mr Alfred H.E. Popp, CM, Q.C	Canada (appointed for a first term)
Mrs Birgit Sølling Olsen	Denmark (appointed for a second term) – Chair
Mr Arnold Rondeau	France (appointed for a first term)
Mr Vatsalya Saxena	India (appointed for a second term) – Vice-Chair
Dr Hideo Osuga	Japan (appointed for a first term)
Captain Thomas F. Heinan	Marshall Islands (appointed for a first term)

- 2.2 The Director shall issue a circular shortly after the May 2023 meeting informing 1992 Fund Member States that nominations of candidates for election to the Audit Body, accompanied by their curriculum vitae, should be submitted to him by 15 September 2023 at the latest. In the circular, attention will be drawn to the fact that nominations can only be made by 1992 Fund Member States. Present members of the Audit Body who wish to be re-elected for a second term of three years will also need to be nominated by 1992 Fund Member States. The circular will include the Composition and Mandate of the Audit Body and the details on the specific skills, experience and attributes that should typically be included in an Audit Body.

- 2.3 In relation to the external expert, at their November 2021 sessions, the governing bodies appointed Mrs Alison Baker (United Kingdom) as the external expert of the Audit Body for a term of three years from 1 January 2022 to 31 December 2024 (document IOPC/NOV21/11/2, paragraph 6.1.6).

3 Action to be taken

1992 Fund Assembly and the Supplementary Fund Assembly

The 1992 Fund Assembly and the Supplementary Fund Assembly are invited to take note of the information in this document.
