



INTERNATIONAL
OIL POLLUTION
COMPENSATION
SUPPLEMENTARY
FUND

ASSEMBLY
1st session
Agenda item 30

SUPPFUND/A.1/29
20 January 2005
Original: ENGLISH

APPOINTMENT OF EXTERNAL AUDITOR

Note by the Director of the International Oil Pollution Compensations Funds 1971 and 1992

Summary:	It is proposed that the Comptroller and Auditor-General of the United Kingdom should be appointed External Auditor of the Supplementary Fund.
Action to be taken:	Appointment of External Auditor.

1 Introduction

- 1.1 Under Article 16.2 of the Supplementary Fund Protocol in conjunction with Article 18.6 of the 1992 Fund Convention, the Supplementary Fund Assembly shall appoint auditors for the Supplementary Fund.
- 1.2 Financial Regulation 13.1 of the 1992 Fund and the 1971 Fund provides that the Assembly of the Fund shall appoint an External Auditor, who shall be the Auditor-General (or officer holding the equivalent title) of a Member State, in the manner and for the period decided by the Assembly. Under agenda item 29, it is proposed that the Financial Regulations of the Supplementary Fund should contain a corresponding provision (document SUPPFUND/A.1/28, Annex).
- 1.3 Since, if the Director's proposal in this regard is accepted, the Supplementary Fund and the 1992 Fund and, at least for some time, the 1971 Fund will be operating in parallel and will share a joint Secretariat, it would seem appropriate that the same person should act as External Auditor for all three Organisations.
- 1.4 The Comptroller and Auditor General of the United Kingdom has been the External Auditor of the 1971 and 1992 Funds since these Organisations were created in 1978 and 1996 respectively. The present appointment expires on 31 December 2006.
- 1.5 The External Auditor of the 1992 Fund and the 1971 Fund has been appointed for successive periods of four years. It is proposed that the term of office for the External Auditor of the Supplementary Fund should also be four years. In order that the terms of office of the External Auditor of the three Organisations should coincide, however, it is proposed that the appointment of the External Auditor of the Supplementary Fund should initially be from a date to be decided by the Supplementary Fund Assembly at its 1st session to 31 December 2006, and thereafter for periods of four years.

- 1.6 During its consideration in May 2004 of the preparations for the entry into force of the Supplementary Fund Protocol, the 1992 Fund Assembly endorsed the proposals set out in paragraphs 1.3 and 1.5 above in respect of the appointment of the External Auditor (document 92FUND/A/ES.8/4. paragraph 3.7.5).
- 1.7 The Auditor General of the United Kingdom has confirmed that he would be pleased to be proposed for appointment also as External Auditor of the Supplementary Fund.

2 Action to be taken

The Assembly is invited

- (a) to take note of the information contained in this document; and
 - (b) to appoint an External Auditor of the Supplementary Fund.
-