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| **Plenipotentiary Conference (PP-18)Dubai, 29 October – 16 November 2018** |  |
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| PLENARY MEETING | **Document INF/1-E** |
|  | **29 June 2018** |
|  | **English only** |
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| Report by the Council |
| PROPOSALS TO IMPROVE IMAC TERMS OF REFERENCE |

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| Further to discussions held during the 2018 Session of the Council on the Seventh Annual Report of the Independent Management Advisory Committee (IMAC) ([Document C18/22](https://www.itu.int/md/S18-CL-C-0022/en)) the Council approved the IMAC report and its recommendation to submit Annex 3 as an Information Document to the Plenipotentiary Conference encouraging Member States to take into account the recommendation when they are formulating their proposals to PP-18.For information, Summary record of the ninth Plenary meeting of the 2018 Session of the Council can be found in [Document C18/121](https://www.itu.int/md/S18-CL-C-0121/en). |

Annex: 1

C18/22 ANNEX 3: PROPOSALS TO IMPROVE IMAC TERMS OF REFERENCE

ANNEX TO RESOLUTION 162 (Rev. Busan, 2014)

Terms of reference for the ITU Independent Management
Advisory Committee

Purpose

1 The Independent Management Advisory Committee (IMAC), as a subsidiary body of the ITU Council, serves in an expert advisory capacity and assists the Council and the Secretary-General in effectively fulfilling their governance responsibilities, including ensuring the functioning of ITU's internal control systems, risk management and governance processes, including human resources management. IMAC must assist in enhancing transparency, strengthening accountability and the governance functions of the Council and the Secretary-General.

2 IMAC will provide advice to the Council and ITU management, on:

a) ways of improving the quality and the level of financial reporting, governance, risk management, including long-term liabilities, monitoring and internal controls in ITU;

b) the actions taken by ITU management on audit recommendations;

c) ensuring the independence, effectiveness and objectivity of the internal and external audit functions; and

d) how to strengthen communication among all stakeholders, the external and internal auditors, the Council and ITU management.

### Responsibilities

3 The responsibilities of IMAC are:

a) Internal audit function: To advise the Council on the staffing, resources and performance of the internal audit function and the appropriateness of the independence of the internal audit function.

b) Risk management and internal controls: To advise the Council on the effectiveness of ITU's internal control systems, including ITU's risk-management and governance practices.

c) Financial statements: To advise the Council on issues arising from the audited financial statements of ITU, and letters to management and other reports produced by the external auditor.

d) Accounting: To advise the Council on the appropriateness of accounting policies and disclosure practices and assess changes and risks in those policies.

e) External audit: To advise the Council on the scope and approach of the external auditor's work. IMAC may provide advice on the appointment of the external auditor, including the costs and scope of the services to be provided.

f) Evaluation: To review and advise the Council on the staffing, resources and performance of ITU's evaluation function.

g) Ethics: To review and advise on the ethics function, ITU’s code of ethics, policy against fraud, corruption and other proscribed practices; investigation policies and guidelines, and whistleblowing arrangements.

### Authority

4 IMAC shall have all the necessary authority to fulfil its responsibilities, including free and unrestricted access to any information, records or staff (including the internal audit function) and the external auditor, or any business contracted by ITU.

5 The Head of the ITU internal audit function and the external auditor will have unrestricted and confidential access to IMAC, and vice versa.

6 These terms of reference (ToR) are to be reviewed periodically, as appropriate, by IMAC, and any proposed amendment submitted to the Council for approval.

7 IMAC, as an advisory body, has no management powers, executive authority or operational responsibilities.

### Composition

8 IMAC shall comprise five independent expert members serving in their personal capacity.

9 Professional competence and integrity shall be of paramount consideration in the selection of members.

10 No more than one member of IMAC shall be a national of the same ITU Member State.

11 To the greatest extent possible:

a) no more than one member of IMAC shall be from the same geographical region; and

b) membership of IMAC shall be balanced, with individuals from developed and developing countries[[1]](#footnote-1)1, in terms of public- and private-sector experience, and in terms of gender.

12 At least one member shall be selected on the basis of his/her qualifications and experience as a senior oversight professional or senior financial manager, preferably in the United Nations system or in another international organization, to the greatest extent possible.

13 To undertake their role effectively, members of IMAC should collectively possess knowledge, skills and senior-level experience in the following areas:

a) finance and audit;

b) organization governance and accountability structure, including risk management;

c) law;

d) senior-level management;

e) the organization, structure and functioning of the United Nations and/or other intergovernmental organizations; and

f) a general understanding of the telecommunication/ICT industry.

14 Members should ideally have or acquire rapidly a good understanding of ITU's objectives, governance structure, the relevant regulations and rules, and its organizational culture and control environment.

### Independence

15 Since the role of IMAC is to provide objective advice, members shall remain independent of the ITU secretariat, the Council and the Plenipotentiary Conference, and shall be free of any real or perceived conflict of interest.

16 Members of IMAC shall:

a) not hold a position or engage in any activity that could impair their independence from ITU or from companies that maintain a business relationship with ITU;

b) not currently be, or have been within the five years prior to appointment on IMAC, employed or engaged in any capacity by ITU, a Sector Member, an Associate or a Member State delegation, or have an immediate family member (as defined by the ITU Staff Regulations and Staff Rules) working for or having a contractual relationship with ITU, a Sector Member, an Associate or a Member State delegation;

c) be independent of the United Nations Panel of External Auditors and the Joint Inspection Unit; and

d) not be eligible for any employment with ITU for at least five years immediately following the last day of their tenure on IMAC.

17 IMAC members shall serve in their personal capacity and shall not seek or accept instructions in regard to their performance on IMAC from any government or other authority internal or external to ITU.

18 Members of IMAC shall sign an annual declaration and statement of private, financial and other interests (Appendix A to these ToR). The Chairman of IMAC shall provide the completed and signed declaration and statement to the Chairman of the Council promptly after a member commences his/her term on IMAC, and thereafter on an annual basis.

### Selection, appointment and term

19 The process for selection of members of IMAC is set out in Appendix B to these ToR. The process shall involve a selection panel comprising representatives of the Council on the basis of equitable geographical distribution.

20 The selection panel shall relay its recommendations to the Council. Members of IMAC shall be appointed by the Council.

21 Members of IMAC are appointed to serve for a term of four years, renewable for a second and final term of four years, which need not be consecutive. To ensure continuity of membership, the initial appointment of two of its five members shall be for one term of four years only, decided by the drawing of lots at IMAC's first meeting. The Chairman shall be selected by IMAC members from amongst their number and shall serve in this capacity for a term of two years.

22 A member of IMAC may resign his/her membership by notice in writing to the Chairman of the Council. A special appointment for the remainder of that member's term shall be made by the Chairman of the Council in accordance with the provisions set out in Appendix B to these ToR to cater for such a vacancy.

23 An appointment to IMAC may only be revoked by the Council, under conditions to be established by the Council.

### Meetings

24 IMAC shall meet at least twice in an ITU financial year. The exact number of meetings per year will depend on the agreed workload for IMAC and the most appropriate timing for consideration of specific matters.

25 Subject to these ToR, IMAC will establish its own rules of procedure to assist its members in executing their responsibilities. The IMAC rules of procedure shall be communicated to the Council for its information.

26 The quorum for the committee is three members. As members serve in a personal capacity, alternates are not allowed.

27 The Secretary-General, the External Auditor, the Chief of the Financial Resources Management Department, the Chief of Human Resources Management Department, the Head of the internal audit function and the Ethics Officer, or their representatives, shall attend meetings when invited by IMAC. Other ITU officials with functions relevant to the items on the agenda may likewise be invited.

28 If necessary, IMAC has the ability to obtain independent counsel or have recourse to other outside experts in order to advise the committee.

29 All confidential documents and information submitted to or obtained by IMAC remain confidential.

### Reporting

30 The Chairman of IMAC will submit its findings to the Chairman of the Council and the Secretary-General after each meeting, and will present an annual report, both in writing and in person, for consideration by the Council at its annual session.

31 The Chairman of IMAC may inform the Chairman of the Council, in between Council sessions, of a serious governance issue.

32 IMAC will conduct a self-assessment, based on best practice, and report on the results to the Council.

### Administrative arrangements

33 Members of IMAC will provide services pro bono. In accordance with the procedures applying to appointed staff of ITU, members of IMAC:

a) shall receive a daily subsistence allowance; and

b) those not resident in the Canton of Geneva or neighbouring France shall be entitled to reimbursement of travel expenses, to attend IMAC sessions.

34 The ITU secretariat will provide secretariat support to IMAC.

1. 1 These include the least developed countries, small island developing states, landlocked developing countries and countries with economies in transition. [↑](#footnote-ref-1)