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**COMMITTEE 6**

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PROPOSED REVISION TO RESOLUTION 162 (GUADALAJARA, 2010)

MOD COM6/51/1

RESOLUTION 162 (~~REV. BUSAN, 2014~~~~GUADALAJARA, 2010~~)

**Independent management advisory committee**

The Plenipotentiary Conference of the International Telecommunication Union  
(~~Guadalajara, 2010~~~~Busan, 2014~~),

*considering*

~~the recommendation of the Representatives of Internal Audit Services of the United Nations organizations and multilateral financial institutions on the establishment of effective and independent audit committees,~~

*recalling*

a) ~~the report of the Joint Inspection Unit entitled *Oversight Lacunae in the United Nations System (JIU/REP/2006/2)* and in particular recommendation 1 thereof on the establishment of an independent external oversight board;~~

~~b) Council Decision 565 (C11) appointing five independent experts as members of the independent management advisory committee (IMAC) to serve for a term of four years;~~

~~c) Council Decision 563 (modified 2014), which adds to the Terms of Reference of the Council Working Group on Financial and Human Resources (CWG-FHR) “to undertake on an annual basis, a review of the status of the implementation of the recommendations of the Independent Management Advisory Committee as presented annually to Council, taking into account Resolution 162 (Guadalajara, 2010)”;~~

*reaffirming*

its commitment to efficient, accountable and transparent management of the Union,

*recognizing*

a) that the establishment of an independent management advisory committee contributes to effective oversight and governance of an organization;

b) that an independent management advisory committee is a governance tool and does not duplicate the financial audit functions of either the internal or the external auditor;

c) that the established practice among international institutions is that an independent management advisory committee serves in an expert advisory capacity and assists the governing body and the ~~head management~~ of the agency in fulfilling their oversight and governance responsibilities;

~~d) the valuable contribution of the IMAC in assisting ITU Council and the Secretary-General in fulfilling their governance responsibilities, including ensuring the effectiveness of ITU’s internal control systems, risk management, and governance processes,~~

*considering*

the recommendation of the Representatives of Internal Audit Services of the United Nations organizations and multilateral financial institutions on the establishment of effective and independent audit committees,

*noting*

the Annual Reports of the IMAC to Council including its Recommendations,  
the reports by the Chairman of the Council Group on the Financial Regulations and other related financial management issues (Group FINREGS) (Documents C10/28 and WG-RG-18/2),

*noting further*

Annex D to the report by the Chairman of the Standing Committee on administration and management of the Council (Document C10/75), which contains draft terms of reference for the establishment of an independent management advisory committee with the title "Independent audit advisory committee of experts (IAACE)",

*resolves*

to approve the terms of reference for establish the ITU Independent Management Advisory Committee (IMAC) on an ongoing basis according to the terms of reference contained in the annex to this resolution, and review and amend, if necessary, its terms of reference,

*instructs the Council*

- 1 to consider the annual reports and the recommendations of IMAC and take appropriate action; establish IMAC on a trial basis for four years, and to report to the 2014 plenipotentiary conference.
- 2 to review the status of implementation of the IMAC Recommendations;
- 3 to appoint the five independent experts as members of the IMAC according to its terms of reference,

*instructs the Secretary-General*

to publish, without delay, and provide public access to the reports of the IMAC as presented to Council, on a publicly accessible website,

*invites the Council*

to report to the 2018 plenipotentiary conference on the activities of IMAC and the implementation of this Resolution.

ANNEX TO RESOLUTION 162 (~~GUADALAJARA, 2010~~ REV. BUSAN, 2014)

## **Terms of reference for the ITU Independent Management Advisory Committee**

### **Purpose**

1 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 ~~effectiveness-~~ functioning of ITU's internal control systems, risk management and governance processes, including human resources management. IMAC must ~~add value and must~~ assist in enhancing transparency, strengthening accountability and 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) how to implement its recommendations ~~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 the 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.

### **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, 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 three 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 three 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, the 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 Administration and Finance 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 Council.

### **Administrative arrangements**

~~33~~ 32 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~~ 33 The ITU secretariat will provide secretariat support to IMAC.

APPENDIX A

**International Telecommunication Union (ITU)  
Independent Management Advisory Committee (IMAC)  
Declaration & Statement of Private, Financial  
and Other Interests Form**

<b>1. Details</b>
Name _____
<b>2. Private, financial or other Interests (tick appropriate box)</b>
<input type="checkbox"/> I have <b>no personal, financial or other interests</b> that could or could be seen to influence the decisions or actions I am taking or the advice I am giving in the course of my duties as a member of IMAC.
<input type="checkbox"/> I <b>have personal, financial or other interests</b> that could or could be seen to influence the decisions or actions I am taking or the advice I am giving in the course of my duties as a member of IMAC.
<input type="checkbox"/> I have <b>no personal, financial or other interests</b> that could or could be seen to influence the decisions or actions I am taking or the advice I am giving in the course of my duties as a member of IMAC. <b>However, I have decided to provide my current personal, financial or other interests.</b>
<b>3. Private, financial or other Interests of family members* (tick appropriate box)</b>
<input type="checkbox"/> To my knowledge, <b>no member of my immediate family has personal, financial or other interests</b> that could or could be seen to influence the decisions or actions I am taking or the advice I am giving in the course of my duties as a member of IMAC.
<input type="checkbox"/> <b>A member of my immediate family has personal, financial or other interests</b> that could or could be seen to influence the decisions or actions I am taking or the advice I am giving in the course of my duties as a member of IMAC.
<input type="checkbox"/> To my knowledge, <b>no member of my immediate family has personal, financial or other interests</b> that could or could be seen to influence the decisions or actions I am taking or the advice I am giving in the course of my duties as a member of IMAC. <b>However, I have decided to provide my immediate family's current financial or other interests.</b>
(* NOTE: FOR THE PURPOSES OF THIS DECLARATION, 'FAMILY MEMBER' HAS THE SAME MEANING AS DEFINED IN THE ITU STAFF REGULATIONS AND STAFF RULES).
Signature _____ Name _____ Date _____





**Declaration & Statement of Private,  
Financial and Other Interests Form  
(Appendix A, page 3/4)**

5. Declaration		
<p><b>I declare that:</b></p> <ul style="list-style-type: none"><li>• As a member of the Independent Management Advisory Committee (IMAC), I am aware of my responsibilities under its Terms of Reference:<ul style="list-style-type: none"><li>– to disclose, and take reasonable steps to avoid, any conflict of interest (real or apparent) in connection with my membership of IMAC; and</li><li>– not to make improper use of (a) inside information or (b) my duties, status, power or authority, in order to gain, or seek to gain, a benefit or advantage for myself or for any other person.</li></ul></li></ul> <p><b>I declare that:</b></p> <ul style="list-style-type: none"><li>• I have read the IMAC Terms of Reference and understood the requirement for me to disclose any private, financial or other interests that could or could be seen to influence the decisions I am taking or the advice I am giving in the course of my duties as a member of IMAC.</li><li>• I undertake to immediately inform the Chairman of IMAC (who shall inform the Chairman of the Council) of any changes to my personal circumstances or work responsibilities that could affect the contents of this disclosure and to provide an amended disclosure/s using this pro forma.</li><li>• I undertake to disclose any private, financial or other interests of my immediate family that I am aware of, should circumstances arise in which I consider that they could or could be seen to influence the decisions I am taking or the advice I am giving in the course of my official duties.</li><li>• I understand that this would require the consent of the family member to the collection by ITU of personal information and a declaration that he/she is aware of the purpose for which the personal information has been collected, the legislative requirements authorizing the collection and the third parties to whom the personal information may be disclosed, and consents.</li></ul>		
<hr/>		
Signature	Name	Date

**Declaration & Statement of Private,  
Financial and Other Interests Form  
(Appendix A, page 4/4)**

<b>6. Declaration of consent by immediate family member to disclosure of their personal, financial and other interests</b>		
If you ticked the first box at Item 3, skip this step and go to Step 7.		
This declaration is to be completed by the immediate family member/s of the IMAC member where the IMAC member considers that the personal, financial and other interests of the family member/s could or could be seen to influence the decisions or actions he/she is taking or the advice he/she is giving in the course of his/her membership of IMAC.		
Family member name _____		
Relationship to IMAC member _____		
IMAC member name _____		
_____	_____	_____
Signature	Name of immediate family member	Date
<b>7. Submit his form</b>		
<b>Once completed and signed, this form should be sent to the Chairman of the ITU Council.</b>		

## APPENDIX B

### Proposed process for selection of members of the Independent Management Advisory Committee (IMAC)

~~When a~~ vacancy on IMAC ~~occurs it (including for its initial membership)~~ shall be filled in accordance with the process set out below:

- a) The Secretary-General ~~shall~~:
- i) ~~shall~~ invite ITU Member States to nominate individuals who are deemed to possess exceptional qualifications and experience;
  - ii) ~~may~~ place in international, reputable magazines and/or newspapers, and on the Internet, a call for expressions of interest from suitably qualified and experienced individuals,

to serve on IMAC.

A Member State nominating an individual under subparagraph a)i) shall provide the same information that the Secretary-General requests of applicants responding to the expression of interest under subparagraph a)ii), and within the same time-frame.

- b) A selection panel shall be formed comprising six Council members representing the Americas, Europe, CIS, Africa, Asia and Australasia and the Arab States.
- c) The selection panel shall, taking into account the IMAC terms of reference (ToR) and the confidential nature of the selection process, review and consider the applications received and create a shortlist of candidates whom it may wish to interview. The selection panel will be assisted, as required, by the ITU secretariat.
- d) The selection panel shall then propose to the Council a list of the best-qualified candidates, equal to the number of vacancies on IMAC. In the event a vote is taken by the selection panel on whether (a) candidate(s) shall be included in the list of candidates to be proposed to the Council and ends in an equal number of votes, the Chairman of the Council shall have the deciding vote.

The information to be provided by the selection panel to the Council shall consist of each candidate's name, gender, nationality, qualifications and professional experience. The selection panel shall provide a report to the Council on the candidates recommended for appointment to IMAC.

- e) The Council shall consider the recommendation to appoint the individuals to IMAC.
- f) The selection panel will also create and retain a pool of suitably qualified candidates for consideration by the Council if required in order to fill a vacancy arising for any reason (e.g. resignation, incapacity) during a term of IMAC.
- g) In order to observe the principle of rotation, and upon expiration of the trial period, the positions ~~shall~~ ~~should~~ be re-advertised every four years, if considered appropriate by the Council, using the selection process set out in this appendix. The pool of suitably qualified candidates referred to in subparagraph f) ~~should~~ ~~shall~~ also be refreshed using that same selection process.