

General Conference

GC(47)/15

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Item 11 of the provisional agenda
(GC(47)/1)

Appointment of the External Auditor

1. The term of office of the Agency's current External Auditor — the Comptroller and Auditor General of the United Kingdom — will expire upon the completion of the audit of the Agency's accounts for 2003. It will therefore be necessary for the General Conference to appoint an External Auditor to audit the Agency's accounts for the financial years 2004 and 2005.
2. By 2003/Note 2 of 9 January 2003, the Secretariat invited Member States to nominate, by 14 February 2003, candidates whom they wished the General Conference to consider at its 2003 regular session (Attachment 1). As of 14 February 2003, the Secretariat had received three nominations. Subsequently, two of those nominations were withdrawn, leaving one nomination, that of the Vice-President of the German Supreme Audit Institution (Bundesrechnungshof).
3. On 19 June 2003, the Board of Governors agreed to recommend to the General Conference the appointment of the Vice-President of the German Supreme Audit Institution as the External Auditor to audit the Agency's accounts for the financial years 2004 and 2005.
4. The material submitted to the Secretariat on behalf of the Vice-President of the German Supreme Audit Institution, which was considered by the Board of Governors, is reproduced as Attachment 2.

Recommended Action

5. The General Conference may wish to endorse the recommendation of the Board as set out in paragraph 3 above.



الوكالة الدولية للطاقة الذرية
国际原子能机构
INTERNATIONAL ATOMIC ENERGY AGENCY
AGENCE INTERNATIONALE DE L'ÉNERGIE ATOMIQUE
МЕЖДУНАРОДНОЕ АГЕНТСТВО ПО АТОМНОЙ ЭНЕРГИИ
ORGANISMO INTERNACIONAL DE ENERGÍA ATÓMICA

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2003/Note 2

NOTE BY THE SECRETARIAT

The Secretariat has the honour to notify Member States that the present term of office of the Agency's External Auditor (Comptroller and Auditor General of the United Kingdom) expires with the completion of the audit of the accounts for the financial year 2003. It will be necessary for the General Conference at its forty-seventh regular session, in September 2003, to appoint a new External Auditor to audit the accounts for the financial years 2004 and 2005. Appointment is traditionally made for a period of two years, but may be extended.

Member States are invited to nominate candidates whom they wish the General Conference to consider at its forty-seventh regular session for appointment as the External Auditor of the Agency. The full text of Article XII of the Agency's Financial Regulations and the additional terms of reference governing audits of the Agency's accounts are enclosed herewith.

The nominations should include the following:

- a) a curriculum vitae of the nominee and details of the national and international activities of the Auditor-General's office, with an indication of the range of audit activities envisaged and of the audit specialities that could be of benefit to the Agency;
- b) a presentation of the approach to the audit and the number and level of staff to be involved in the audit; and
- c) a proposed audit fee (expressed in United States dollars) and an estimate of the of the total number of auditor-months which would be devoted to the audit of the accounts for 2004.

The proposed audit fee should cover the audit related salaries, secretarial and other support costs, travel costs and living expenses of the External Auditor and his/her staff. Travel costs should cover travel between the Auditor-General's office and the Agency's Headquarters in Vienna and — if deemed necessary for audit purposes — other Agency offices.

Nominations should reach the Agency's Director General as early as possible, and in any case not later than 14 February 2003, in order to allow sufficient time for further inquiries and subsequent forwarding of a proposal by the Board of Governors for consideration by the General Conference in September 2003. The Agency's Division of Budget and Finance would be pleased to provide any further information or clarification that may be required.

Gary Eidet

9 January 2003

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ARTICLE XII. EXTERNAL AUDIT

APPOINTMENT OF EXTERNAL AUDITOR

Regulation 12.01

An External Auditor, who shall be Auditor-General (or an officer exercising an equivalent function) of a Member State, shall be appointed by the General Conference for a period determined by it.

TENURE OF OFFICE OF EXTERNAL AUDITOR

Regulation 12.02

If the External Auditor ceases to hold office as Auditor-General (or equivalent function) in his/her own country, his/her tenure of office as External Auditor shall thereupon be terminated and he/she shall be succeeded as External Auditor by his/her successor as Auditor-General. The External Auditor may not otherwise be removed during his/her tenure of office, except by the General Conference.

CONDUCT OF AUDIT

Regulation 12.03

Subject to any special direction of the General Conference or the Board, each audit which the External Auditor is required to make shall be conducted in accordance with the Additional Terms of Reference set out in the Annex to these Regulations.

RESPONSIBILITY OF EXTERNAL AUDITOR

Regulation 12.04

The External Auditor shall be completely independent and solely responsible for the conduct of the audit.

SPECIFIC EXAMINATIONS

Regulation 12.05

The General Conference and the Board may request the External Auditor to perform certain specific examinations and to issue separate reports on the results.

PROVISION OF FACILITIES TO EXTERNAL AUDITOR

Regulation 12.06

The Director General shall provide the External Auditor with the facilities required for the performance of the audit.

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USE OF LOCAL AUDITORS

Regulation 12.07

Whenever it is necessary to make a local or special examination the External Auditor may arrange for the services of any national Auditor-General who is eligible to be appointed as External Auditor or of commercial public auditors of known repute.

TRANSMISSION OF AUDIT REPORT

Regulation 12.08

The report of the External Auditor shall be transmitted to the Board for its observations and the Board shall transmit the report to the General Conference in accordance with Regulation 11.03. A representative of the External Auditor shall be present when his/her report is first under consideration by the Board or by a subsidiary body of the Board. In addition, the Director General shall arrange for such representation during subsequent consideration by the Board or during consideration by the General Conference, if so requested by a Member State, if the Director General considers it desirable or if the External Auditor considers it essential.

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**ADDITIONAL TERMS OF REFERENCE GOVERNING THE AUDIT OF THE
INTERNATIONAL ATOMIC ENERGY AGENCY**

1. The External Auditor shall perform an audit of the accounts of the Agency, including all Trust and Special Funds as he/she may deem necessary in order to satisfy himself/herself:
 - (a) That the financial statements are in accord with the books and records of the Agency;
 - (b) That the financial transactions reflected in the statements have been in accordance with the Financial Rules and Regulations, the budgetary provisions, and other applicable directives;
 - (c) That the securities and moneys on deposit and on hand have been verified by certificate received direct from the Agency's depositories or by actual count.
2. Subject to the provisions of the Financial Regulations, the External Auditor shall be the sole judge as to the acceptance in whole or in part of certifications by or on behalf of the Director General and may proceed to such detailed examination and verification he/she chooses of all financial records, including those relating to supplies and equipment and materials of the Agency or for which the Agency is responsible.
3. The External Auditor may affirm by test the reliability of the internal audit, and may make such reports with respect thereto, as he/she may deem necessary, to the Board or to the Director General for transmission, where appropriate, to the General Conference.
4. The External Auditor and staff working under his/her direction shall subscribe to such oath as may be approved by the Board. Thereupon he/she shall have free access, at all convenient times, to all books of account and records which are, in his/her opinion, necessary for the performance of the audit. Information classified as confidential in the records of the Secretariat, and which is required by the External Auditor for the purposes of the audit, shall be made available on application to the Director General. In the event that the External Auditor is of the opinion that a duty rests on him/her to draw to the attention of the Board or of the General Conference any matter respecting which all or part of the documentation is classified as confidential, direct quotation shall be avoided.
5. The External Auditor, in addition to auditing the accounts, may make such observations as he/she may deem necessary with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls, and, in general, the financial consequences of administrative practices.
6. In no case, however, shall the External Auditor include criticism in his/her audit report without first affording the Director General an opportunity of explanation of the matter under observation. Audit objections to any items arising during the examination of the accounts shall be immediately communicated to the Director General or the Director, Division of Budget and Finance.
7. The External Auditor shall prepare a report on the accounts which shall include:
 - (a) The extent and character of his/her examination and of any important changes in the extent and character of such examination, including whether he/she has obtained all the information and explanations he/she has required;
 - (b) Matters affecting the completeness or accuracy of the accounts, such as:
 - (i) Information necessary to the correct interpretation of the audit;
 - (ii) Any amounts which ought to have been received but which have not been brought to account; and
 - (iii) Expenditures not properly substantiated.
 - (c) Other matters which should be brought to the notice of the Board and, where appropriate, of the General Conference, such as:

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- (i) Cases of fraud or presumptive fraud;
 - (ii) Wasteful or improper expenditure of the Agency's money or other assets (notwithstanding that the accounting for the transactions may be correct);
 - (iii) Expenditures likely to commit the Agency to further outlay on a large scale;
 - (iv) Any defect in the general system or detailed regulations governing the control of receipts and expenditure of supplies, equipment and materials of the Agency or for which the Agency is responsible;
 - (v) Expenditure not in accordance with the purpose of the appropriation concerned, after making allowance for duly authorized transfers between appropriation sections.
 - (vi) Expenditure in excess of appropriations, as amended by duly authorized transfers between appropriation sections; and
 - (vii) Expenditure not in conformity with the authority which governs it.
- (d) The accuracy or otherwise, as determined by stocktaking and examination of the quantitative records relating to supplies, equipment and materials of the Agency or for which the Agency is responsible; and
- (e) Transactions accounted for in a previous financial year, concerning which further information has been obtained, or transaction in a later financial year concerning which it seems desirable that the Board or the General Conference should have early knowledge.

8. The External Auditor, or such officers as he/she may designate, shall express and sign an opinion on the financial statements which shall:

- identify the financial statements examined; and
- describe the scope and extent of audit procedures; and

which shall address, as appropriate, whether:

- (a) The financial statements present fairly the financial position of the International Atomic Energy Agency as at the end of the financial year and the results of its operations in that year;
- (b) The financial statements were prepared in accordance with the stated accounting principles;
- (c) The accounting principles were applied on a basis consistent with that of the preceding financial year;
- (d) Transactions were in accordance with the Financial Regulations and legislative authority.

9. The External Auditor shall have no power to disallow items in the accounts, but shall draw to the attention of the Director General for appropriate action any transaction concerning which he/she entertains doubt as to legality or propriety.

Responsible office: MTBF

International Atomic Energy Agency
(IAEA)

O f f e r o f S e r v i c e s
a s E x t e r n a l A u d i t o r

submitted by the
German Supreme Audit Institution
Bundesrechnungshof

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A Curriculum Vitae and Details of the National and International Activities

**Norbert Hauser
Vice-President
Federal Court of Auditors
Bundesrechnungshof**

**Adenauerallee 81
D - 53113 Bonn
Germany**

Date and place of birth: 20 May 1946 in Olpe, Germany

Civil status: married

1952 – 1967	School education with university entrance qualification
1967 – 1969	Military Service with promotion to Officer
1969 – 1979	Law studies at the University of Bonn followed by Junior barrister education
1979	University degree in law
1979 – 1981	Federal Managing Director of the Medium-Sized Businesses Association
1975 – 1999	Speaker of the Christian-Democratic Party in matters of Finance and Budget Policies Member of the Municipal Council of the City of Bonn
1981 – 2002	Practice of a lawyer
1998 – 2002	Member of the German Federal Parliament Amongst others: Member of the Public Accounts Committee Member of the Education and Research Committee Member of the Investigation Committee on donations to political parties
as from 2002	Vice-President of the German SAI External Auditor of UNIDO

International Background:

Norbert Hauser's national activities cover the full range of external audit missions at federal departments and agencies and the relationship with Parliament. **International activities** include audit responsibilities regarding international organizations and permanent working contacts with supreme audit institutions of foreign countries, with a recent focus on technical support to Middle and Eastern European countries. Most recently Norbert Hauser was **appointed External Auditor** of the United Nations Industrial Development Organization - **UNIDO**. This mandate ended on 30 June 2002.

Norbert Hauser is founder and chairman of the **German-Spanish-Society**.

B Introduction – Purpose of this Presentation

The purpose of this presentation is to offer the Services of the German Supreme Audit Institution as External Auditor of the International Atomic Energy Agency (IAEA)

This paper is designed to illustrate why the German Supreme Audit Institution (German SAI) considers itself a suitable candidate for the office of the IAEA External Auditor. It outlines the Bundesrechnungshof's role as Germany's Supreme Audit Institution, its broad range of national and international audit experience, its highly professional staff resources, and its proposed strategy for fulfilling the IAEA's audit mandate.

C

A Profile of the German SAI

Historical Background and Current Role

Government audit in Germany can look back at a track record of over 280 years. When Prussian King Frederic William I established the Prussian General Chamber of Accounts in 1714, this was the starting point for the development of independent government auditing in Germany. Today, the German SAI has the status of a supreme federal authority. It is equal in rank to a federal government department. It is an independent institution of government audit, subject only to the law. It is not part of the federal government and is not subject to any instructions from either the Executive Branch or the Legislature.

Our staff totals some 1500. We have 9 audit divisions, 53 audit units and 9 regional audit offices. Administrative functions are carried out by a presidential division (comparable to a General Secretary). Our Auditors all hold a university or other higher education degree. In some cases, the respective degrees have been awarded on the basis of training within the public administration. The professional qualifications found within our human resource pool range from public administration and law via various engineering specialties to economics, management and computer science. The staff assigned to the audit of international organization all have excellent knowledge and skills in accounting issues. Most of them have participated in the audit of UN organizations (our most recent assignment as External Auditor of United Nations Industrial Development Organization - UNIDO - in Vienna ended on 30 June 2002 only). All Auditors have a record of several years of practical working experience in at least one government department or agency. This highly proficient workforce provides the German SAI with a sound basis for auditing international organizations.

National Audit Mandate

The German SAI's audit mandate covers

- federal financial management,
- federal trading funds,
- public bodies incorporated under federal law,
- social security institutions incorporated under federal law or state law, and
- the management of federal government shareholdings in private sector enterprises.

Reporting

The German SAI submits annual reports on its audit findings to both chambers of the federal legislature and to the federal government. In addition to annual reporting, we may at any time report on matters of particular significance.

Advisory Role

We also conduct audits of administrative decisions that have not yet had a financial impact. That is a very far reaching regulation and enables us to step into certain issues with a performance audit at a very early stage. Thus we are used to checking government expenditure **before** the money is actually spent. We use the audit findings as a basis for advising government departments and agencies, and also Parliament, on decisions to be taken, notably in connection with budgeting. This advisory function has become increasingly important over the past decade.

Audit Criteria

Performance Audit

In Germany, the emphasis of government auditing has shifted over time. Formerly, the work of government Auditors focused on ex post financial audit work. The additional audit criterion of **performance** was imposed by statute decades ago, so that performance audit is now a key focus in our work.

Auditors do not only look into the figures of an account or into individual revenue or expenditure items but also into the underlying **operations** and **programmes**. This operational audit of the Federal Government's overall financial management increases **timeliness** and **topicality**. It addresses entirely new audit fields. It includes examinations into the **structure, operations** and **human resources management** of departments and agencies. Audit work also focuses on **programme evaluations, effectiveness audits, efficiency audits** and **risk analyses**. We use the audit findings generated as a basis for advising Parliament and the Government. In many reports, the German SAI presents the lessons learned from earlier audit missions to provide an insight into current issues and problems of financial management.

Financial Audit

Performance audit is supplemented by the audit of **regularity and compliance**, where government operations are checked against supporting documents, applicable statutory provisions, rules and regulations. Essential part of Financial Audit is the certification of the Federation's accounts.

Timely Audit

The BRH's **timely audit approach** seeks to develop audit findings helping to enhance future action rather than merely criticizing past deficiencies.

Our Track Record as External Auditor of International Organizations

Wealth of Experience Gained in the Audit of the United Nations

The German SAI's President served as one of the three members of the United Nations Board of Auditors from 1989 to 1992. 17 Auditors assisted him in performing the relevant missions. The audit mandate covered the examinations of the annual accounts and financial management of the **United Nations** and some UN organisations, eg. the **United Nations Development Programme (UNDP)**, the **United Nations Fund for Population Activities (UNFPA)**, the **International Trade Centre (ITC)**, and the **United Nations Relief and Works Agency (UNRWA)**. The audit missions involved the collection of evidence at field offices and at UN development project located worldwide.

From 1994 to 2002 the German SAI's President also audited the UN specialized agency of **UNIDO**. This audit mandate was handed over at the end of June 2002 to our successors from the Republic of South Africa in the cooperative manner required by the Panel of External Auditors. We appreciate if members of the Board of Governors or the General Conference contacted UNIDO Management and/or members of UNIDO's Programme and Budget Committee for the assessment of the BRH's performance in the past eight years.

Other International Audit Missions

German Auditors have been involved in the audit of a wide array of international projects. In recent years, the German SAI has participated e.g., in the audits of the European **Organization for Nuclear Research (CERN)**, the **European Space Agency (ESA)**, the **Franco-German Research Center St. Louis (ISL)**, the **European Organization for the Safety of Air Navigation (EUROCONTROL)**, the **European Organization for the Exploitation of Meteorological Satellites (EUMETSAT)**, the **Western European Union (WEU)**, the **Organization for Joint Armament Cooperation (OCCAR)**, the **European Center for Medium-Term Weather Forecasting (ECMWF)**, the **European Patent Office**, the **Organization for Economic Cooperation and Development (OECD)**, and the **Franco-German and Polish-German youth foundations**. Moreover, BRH staff is seconded to the **International Board of Auditors for NATO** and to the **European Communities Court of Auditors**.

Membership in INTOSAI/EUROSAI

The German SAI is a member of the **International Organization of Supreme Audit Institutions (INTOSAI)**, to which the supreme audit

institutions of most UN member countries are affiliated. We hosted INTOSAI's 13th World Congress held in Berlin in 1989, with participants from more than 130 nations and international organizations. The German SAI's President served as **Chairman of INTOSAI's Governing Board** from 1989 to 1992.

In addition, the German SAI is a member of INTOSAI's European regional working group, the **European Organization of Supreme Audit Institutions (EUROSAI)**. Our office will host the VIth EUROSAI Congress in Bonn in 2005 and our President will subsequently serve as EUROSAI's chairman.

International Cooperation

By tradition, we provide support to developing government audit systems in other countries, i.e. by means of multinational cooperation projects.

D. Audit Approach and Staff

Meeting IAEA's Audit Requirements

In its audit of IAEA, the BRH will make available the experience and expertise gained through its national and international audit work. This includes technical issues as well as performance audits in all areas of the Agency's operations. Finally, we have got vast experience in the audit of all financial issues like cash management or the implementation of the EURO. Most important for IAEA is that we have actively taken part in the successful and cost saving implementation of the "Agresso" - Software in UNIDO. The Director of Finance will be able to provide details.

Our Audit Approach

We will conduct the audit in accordance with best audit practice.

We will plan, prepare, conduct and report on the audit exercises in compliance with internationally accepted standards. Our Auditors be guided in its audit work by a cooperative attitude towards IAEA's management and internal auditors.

Areas of special experience in UN Organizations

The assignment in the Board of Auditors we held from 1989 to 1992 was a good way to familiarize with the special nature of UN Organizations. In our most recent audit of UNIDO we addressed - besides financial audit - the following areas of key interest:

- the serious financial problems UNIDO was facing as the consequence of the withdrawal of one member state from UNIDO during the biennium, leaving behind a considerable balance of unpaid assessed contributions,
- the downsizing exercise from more than 1,200 staff members to about 700,
- financial issues such as cash management and investments,
- UNIDO's field operations at headquarters and in 6 field missions to UNIDO projects in Asia, South America and Africa,
- the implementation of a new commercial accounting software
- the introduction of the EURO,
- cases of fraud or presumptive fraud,
- personnel management issues,
- procurement procedures and

- the introduction of special accounts for the Regular Programme for Technical Co-operation.

We will be happy to provide more information on these audit missions. As to the last issue mentioned above, the German team was actively involved in the decision making procedure of the member states. The audit team took part in a major member state meeting to provide advice designed to help bring about an appropriate decision for UNIDO. It is worth mentioning that, after four years of discussions, the decision to implement the respective special account was made only one week after the consultation of the Auditors.

Our Audit strategy for the IAEA

Staff

We will provide an internationally experienced team of auditors, mainly drawn from among BRH staff, who have participated in the UN audits. The team will be led by a Director of External Audit and an Audit Manager chosen by the German SAI's President. At least one of them will be Vienna-based. The team will be able to work in German, English and French. Whenever necessary, the audit team will draw on the vast specialized knowledge and skills available in the fields of personnel management, EDP and cost benefit analysis. Some auditors have worked in private sector audit companies. We are also able to meet IAEA's technical requirements by assigning staff to the audit with excellent experience in the national performance audits of atomic plants or the effects of atomic radiation. Technical expertise can be subcontracted when needed. Part of the audit work could be offered to Auditors General from developing countries.

Financial Audit

The financial audit mainly aims at assessing whether financial statements fairly present the financial position at the end of a financial period, and whether the financial statements have been prepared in accordance with the relevant accounting guidelines and policies, applied on the basis consistent with that of the preceding financial period.

The financial audit will be based on analytical audit procedures. This includes detailed scrutiny of the financial statements, and sample testing of transactions and vouchers.

Our financial audit is supported by a commercial audit software called "IDEA" that was designed by the Canadian Institute of Chartered Accountants and runs under Microsoft WINDOWS. In addition to being extremely fast and flexible, it is also able to make queries that search through the entire data of an organization. After downloading the General Ledger onto our laptops the whole team has acquired the relevant skills and experience in working with the software.

We can sort data, make individual queries, group accounts together, compare data, find gaps in the booking entries, identify double entries, or make spot checks in accordance with generally accepted statistical procedures to obligatory voucher auditing. In brief, all that needs to be done by a Certified Public Accountant at year end is supported by the software.

For our UN audit, we also use the software to generate the Financial Statements from the General Ledger. We reconcile the accounts and follow the necessary accounting entries the Organization has to execute. The final step is to clarify the differences. This enables us to assess whether the

accounting entries are accurate, whether the financial Statements have been produced on the basis of reliable data, and whether the Statements fairly reflect the financial activities of the IAEA.

Performance Audit

The first step in conducting a performance audit is to gain an idea of the audit subject by carrying out a task analysis. Areas of high financial impact and high risk for the Organization are identified. As a result of discussions with responsible officials and the collection of audit evidence on the premises of functional and programme management units, additional audit subjects may emerge.

Performance audits cover the whole range of IAEA's activities. We will measure these against the criteria economy, efficiency and effectiveness. To make our own audits as efficient as possible, we will consider asking for support of Auditors General of developing countries, when special examinations in the Fields of operations are necessary.

In the first year of each biennium our main focus will be on Performance audits, whereas the second year's main issue will be the audit of the Financial Statements. The overall ratio between Performance and Financial Audit will be about half and half.

As the audit costs in each of the two years of the biennium do not substantially differ, we can offer our service for the same fee in both years (see chapter E).

Internal Audit and Oversight

We plan to establish close working relations with the Internal Control Units. In order to avoid double work we will - to the extent possible - use the information provided by these units. As to the financial audit of certain funds, the External Auditor may consider relying on the audit work carried out by Internal Audit.

Audit Standards

We will carry out the audit of the IAEA in accordance with internationally accepted audit standards, especially those of the Panel of External Auditors of the United Nations, which were tailored to the special circumstances of UN Organizations. Those are based on the INTOSAI standards, with reference to the standards of the International Federation of Accountants (IFAC).

For financial audit work we will apply the United Nations System Accounting Standards (UNSAS) as adopted by the Panel of External Auditors of the United Nations.

Reporting

At the end of a financial period, we will submit a report to the Board in accordance with Financial Regulation 12.08 and the additional terms of reference governing external audit of the IAEA. During a biennium, any findings of special significance generated in the course of our financial and performance audits will be reported.

Before we report to IAEA's legislative body we will, of course, inform management of any relevant data found, thus providing advice on how to enhance IAEA's daily work and giving Management the opportunity to comment.

E Proposed Audit Fee and Estimates of Auditor Work Months for the Financial Periods 2004-2005 and 2006-2007

(a)	No. of man months (b)	Man-monthly rate US\$ (c)	Maximum costs per job title US\$ (d)	No. of countries to visit (e)	Travel costs US\$ (f)	Others US\$ (g)	TOTAL US\$ i=(d+f+g)
SERVICES AT HQ							
Schrenk, Director of External Audit	1,5	11.550	17.325		4.550		21.875
Audit Manager	9	9.850	88.650		13.950		102.600
1 (Senior Auditor)	1,5	7.850	11.775		4.550		16.325
2 (Senior Auditor)	1,5	7.850	11.775		4.550		16.325
3 (Senior Auditor)	2	7.850	15.700		6.400		22.100
4 (Auditor)	2	6.450	12.900		6.400		19.300
5 (Auditor)	1	6.450	6.450		3.200		9.650
6 (Auditor)	1	6.450	6.450		3.200		9.650
Others (general admin. costs)						8.000	8.000
SUB-TOTAL	20						225.825
SERVICES IN THE REGIONAL/COUNTRY OFFICES							
Audit Manager	1	7.850	7.850	2	6.150		14.000
1 (Senior Auditor)	0,5	7.850	3.925	1	4.150		8.075
2 (Senior Auditor)		7.850	3.925	1	4.150		8.075
to be subcontracted						8.000	8.000
SUB-TOTAL	2						38.150
GRAND TOTAL per year	22						263.975

The above figures reflect the estimates for one year. The personnel costs are based on the average costs for the respective career grade applicable to German public service officers.

The Bundesrechnungshof considers the following external audit fees as reasonable:

Financial period	US\$
2004-2005:	528,000
2006-2007:	536,000 (1)

(1) Zero real growth on rough estimate of 1,5 percent of inflation

Curriculum Vitae

Last name	Wenz, Dr.
First name	Jochen
Nationality	German
Date of Birth	January 28, 1964
Marital status	single
Children	none
Address	Friedrich-Ebert-Str. 63 b 53177 Bonn Germany
Graduation	1983 University Entrance Qualification
Higher education & professional training	1984 - 1990 Cologne University Business Administration 1990 Master in Business Administration 1990 - 1993 postgraduate studies and research work at Cologne University with a scholarship of Konrad Adenauer Foundation 1993 doctorate
National Service	1983 - 1984
Professional practice	1987 - 1990 teaching and research assistant at Cologne University (while still an undergraduate student)

2

1993 - 1996

Auditor with Dr. Clarenz - Dr. Zacharias oHG, a firm of accountants and tax consultants, audit of private-sector and public-sector organizations in the following lines of business: local public transport, sports facilities, cement processing, sweets, dental care and pharmaceutical products, the emphasis of work being on participation in the audit of annual financial statements and tax consulting, and self-reliant completion of audit assignments concerned with the payment of license fees under Germany's system for the disposal of plastic containers

**Work at Germany's Supreme Audit Institution
(Bundesrechnungshof)**

1996 - 1999

Audit Manager, responsible for the audit of Germany's privatized national railway company and of the Federal Railway Assets Fund

1999 (2nd half)

Seconded to the Federal Supervisory Office for Securities Trading

as from January 1, 2000

Audit Director, responsible for the audit of information technology and information resources management

as from September 1, 2000

simultaneous work on the external audit of UNIDO

as from 2002

Deputy Executive Director, International Relations Service

Curriculum Vitae

Last name	Dürrwanger
First name	Andreas
Nationality	German
Date of Birth	February 8, 1959
Marital status	single
Children	none
Address	Im Hasenwinkel 28 63179 Obertshausen Germany
Graduation	1978 University Entrance Qualification
National Service	1978 - 1979
Higher education & professional training	1979 - 1987 University of Augsburg Law studies First and Second State Examination in Law
Professional practice	1990 - 1992 Treuhand-Vereinigung AG Auditor 1992 - 1993 State of Saxony Ministry of Finance 1993 Regional Fiscal Office Chemnitz 1993 - 1994 Tax office Görlitz

**Work at Germany's Supreme Audit Institution
(*Bundesrechnungshof*)**

1994 – 1997

Auditor in the audit unit on statutory pensions
(benefits)

as from 1995

simultaneously involved in the audit of the United
Nations, member of the UNIDO audit team

as from 1996

simultaneous work in the audit unit on general issues
of government auditing

1997

Seconded to the UK National Audit Office (6 months)

1998 – 2000

Audit Manager in the audit unit on the German
railways and the Federal Railway Assets Fund

1997 – 2000

Member of the Technical Group of the Panel of
External Auditors of the United Nations, the
specialized Agencies and the International Atomic Energy Agency

as from 2000

Seconded to the European Court of Auditors

Curriculum Vitae

Last name	Schrenk
First name	Michael
Nationality	German
Date of Birth	February 3, 1952
Marital Status	Married
Children	Two
Address	Kronprinzenstraße 68 D - 53173 Bonn Germany
Graduation	1972 University Entrance Qualification
National Service	1972 - 1973
Higher education and professional training	1973 - 1978 University of Würzburg Law, Economics and Slavonic Studies 1978 First State Examination in Law 1981 Second State Examination in Law
Professional practice	1981 - 1987 Service in the German tax administration Special training in taxation law (1981 - 1982) Special training in commercial audit (1982-1984) Head of a regional audit unit in the Bavarian tax administration

**Work at Germany's Supreme Audit Institution
(Bundesrechnungshof)**

1987 – 1989

Audit Manager, responsible for planning, coordinating and implementation of audits of the Federal Ministry of Finance

1989 - 1992

Audit Manager in the audit unit on statutory pensions

1992 -1996 appointed as Head of the audit unit on statutory pensions

1993 promoted to Counsellor

1994 Appointed Counsellor - Member of the Federal Court of Audit

1996 - 1999 Head of the audit unit „Basic questions of Audit“ Auditing and Reporting Guidance. Annual Report" including the Federal Court of Audit's permanent representation in the German Parliament's Public Account's Committee

as from 1999 up to now:

Head of the audit unit "Taxes on transactions - tax reform"

International experience additionally acquired besides the normal work in the German SAI

1989:

Audit of the accounts and performance of the European Patent Office, Munich as Senior Auditor

as from 1989 to 1992:

External Auditor of the United Nations, Vienna. Audit of financial management and certification audit of annual financial statements of the UN Office at Vienna (UNOV), the United Nations Relief and Works Agency for the Palestine Refugees in the Near East (UNRWA) and other Organizations

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as from 1994 to 2000
External Auditor in the United Nations Industrial
Development Organisation (UNIDO), responsible for
the certification of the accounts

as from 1 January 2001 up to 30 June 2002
Director of External Audit UNIDO

Curriculum Vitae

Last name	Kramer
First name	Eberhard
Nationality	German
Date of Birth	May 24, 1956
Marital status	married
Children	three
Address	Auf dem Klapperfeld 12 65594 Runkel Germany
Graduation	1975 University Entrance Qualification
National Service	1975 - 1976
Higher education & professional training	1976 - 1979 In-service training and exam for the higher executive career in the fiscal administration
Professional practice	1979 - 1980 Tax office Limburg Tax liability assessment 1980 - 1985 Tax office Wiesbaden I tax inspector 1985 - 1989 Regional Fiscal Office Frankfurt tax inspector, large businesses general issues tax inspection major tax investigations

**Work at Germany's Supreme Audit Institution
(*Bundesrechnungshof*)**

as from June 1, 1989
Audit Unit III 2
German Railways, General Issues, Coordination
Auditor

as from August 1, 1989
in addition
Audit Support Unit III A

as from 2001
Member of the UNIDO audit team

Curriculum Vitae

Last name	Schuch
First name	Andrea
Nationality	German
Date of Birth	October 9, 1960
Marital status	single
Children	none
Address	Adenauerallee 81 53113 Bonn Germany
Graduation	1979 University Entrance Qualification
Higher education & professional training	1979 -1982 In-service training and exam for the higher executive career of the German civil service at the Giessen Local Social Security Office
Professional practice	1982 - 1990 Giessen Local Social Security Office - Higher Executive Officer / Deputy Section Leader / Section Leader and Training Officer Work related to determination of disabilities, civil service and war pensions 1990 - 1993 State of Hesse Social Security Office Data-Processing Section <ul style="list-style-type: none">• Maintenance of computer programs used to administer the Federal War Victims Relief Act• Updating of computer programs for informing potential beneficiaries of the amount of pensions they may expect• Advice to line and staff units about computerized analyses and spreadsheets• Design of programs for analysis• Coordination of cooperation with the other German states in the above matters• Coordination of liaison with other pension-paying bodies

**Work at Germany's Supreme Audit Institution
(*Bundesrechnungshof*)**

1993

Auditor in Audit Unit VI 3 (Pensions I, Benefits)

as from 1996

Audit Unit IX 3 (same remit as formerly VI 3)

Audit Director

as from 1998

Member of the UNIDO audit team