COMMUNICATION TO THE COMMISSION

UPDATE OF THE CHARTER OF THE AUDIT PROGRESS COMMITTEE OF THE EUROPEAN COMMISSION
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1. BACKGROUND

   The Audit Progress Committee (APC) of the Commission was established in October 2000 as an advisory body to assist the College of Commissioners in fulfilling its obligations under the Treaties and under other statutory instruments and agreements to monitor the implementation of audit recommendations and the quality of audit work. At the start of its present mandate, in May 2015 the Commission adopted the Charter of the APC. A requirement for an APC for each of the Union institutions has since been recently established in the Financial Regulation.

   In response to the European Court of Auditors' (ECA) special report on governance at the Commission, the mandate of the APC was updated in the context of the mid-mandate renewal of its membership, in particular to increase the number of external members.

   Furthermore, in January 2017 the College decided to invite the Internal Auditor to undertake audit work on Commission's governance arrangements concerning risk management, financial reporting, and the ex-post verification/audit function, in particular second level scrutiny. The IAS finalised its work in January 2018 and concluded that the Commission's decentralised accountability structure remains valid and does not need to be fundamentally changed. However, within this structure, the IAS has identified the need for proportionate improvements concerning, inter alia, risk management, financial reporting and the mandates of the corporate (oversight) bodies. The APC discussed the IAS report at its 91st meeting and considered that in the interest of transparency and clarity a revision of the APC's Charter should be prepared for consideration by the College, reflecting the improvements identified.

2. COMMISSION DECISION

   Reflecting these points, the Commission decides:

   a) To approve the attached updated Charter of the APC;
   b) To confirm the current membership of the APC whilst noting that the mandate of one external member of the APC will expire on 31 March 2019 and that a new external member will be appointed in due time, to be selected by First Vice-President Timmermans in agreement with Commissioner Oettinger from the reserve list to be established further to the call for expression of interest.