
1. The audit of an organization by an external entity is one of the key instruments ensuring transparency and oversight in its operations. The appointment of the current External Auditor of the Pan American Health Organization will expire at the completion of the audit of the 2017 financial period. The current External Auditor, the Spanish Court of Audit, has held the appointment for the past three biennia.

2. In accordance with Regulation 14.1 of the Financial Regulations, the Pan American Sanitary Conference or the Directing Council shall appoint an External Auditor of international repute to audit the accounts of the Organization. The duration of the appointment is at the discretion of the Conference or Council. However, previous practice has been to appoint the External Auditor for two biennia.

3. In August 2016, a note verbale was sent to all Member States, Participating States, and Associate Members. The note verbale described in detail the process they needed to follow in order to nominate an Auditor for the 2018-2019 and 2020-2021 biennia. The deadline for the receipt of submissions from the Member States was 31 January 2017. In order to provide the Member States additional time to fully participate in the process, the Director extended the deadline for the receipt of nominations by the Pan American Sanitary Bureau (PASB) to 19 June 2017.

4. PASB received one nomination from the Government of the United Kingdom of Great Britain and Northern Ireland nominating its National Audit Office (NAO).

5. All the documentation available for the nomination has been forwarded to PAHO’s Audit Committee for review and advice.

6. The proposal, along with any comments made by the Audit Committee, will be submitted to the 29th Pan American Sanitary Conference to be held in September 2017 for the consideration of the Member States. During the Conference, the representative of the audit entity proposed will be invited to make a summary presentation of their
proposal to assist the Conference in the selection process. The selection of the External Auditor will be by secret ballot with the requirement of a simple majority.

**Action by the Executive Committee**

7. The Executive Committee is requested to take note of this report and to provide any comment it may deem necessary.