

 **Distr.**

 **LIMITED**

 **CS/ADM/SC/XXII/8.2/1**

Original: **ENGLISH**

**COMMON MARKET FOR EASTERN**

**AND SOUTHERN AFRICA**

Twentieth Meeting of the Sub-Committee on

Audit and Budgetary Matters

28 October – 1 November 2019

Lusaka, Zambia

**EXTERNAL AUDIT INSTRUMENTS – REPORT ON PRESERVING THE NINE (9) PILLAR COMPLIANCE, AFTER THE ADJUSTMENT OF SPECIFIC ASPECTS OF EXTERNAL AUDIT FRAMEWORK**

**(AGENDA ITEM 8.2)**

1. Secretariat is hereby submitting a Report, annexed at [….], on preserving the nine (9) pillar compliance, after the adjustment of specific aspects of external audit framework, in particular the following: -
2. Designation of Auditors General from Member States of COMESA, as external auditors of COMESA, replacing Private Audit Firms;
3. Adoption of ISSAI, as the applicable auditing standards; and
4. That existing seven (7) pillar compliance status achieved by COMESA in 2015, was premised on utilisation of Private Audit firms, as well as ISAs.
5. Secretariat sought and obtained support of EY Belgium **(one of the Big Global Four Audit Firms, the others being Pricewaterhouse Coopers; Deloitte; and KPMG)** in coming up with this Report.
6. The framework shall upon approval: -
7. guide on the roles and relationships between and amongst key players (Council; IC; Committee of Administrative and Budgetary Matters; and Sub Committee on Audit and Budgetary Matters; Secretary General; and Heads of COMESA Organs and Institutions, to be audited by the Auditors General) that are charged with responsibilities in respect of governance and assurance processes, as required by standards and best practice;
8. ensure the preservation of 7 Pillar status of COMESA and facilitate Secretariat’s preparation itself for the new 9 pillar assessment in 2019, as decided by the 7th Extraordinary Meeting of the Council on 5 April 2019.

**Recommendations**

1. The Report highlights the following issues and related recommendations: -

[To complete, on receipt of the Report]