

The Statute of the Arab Organization

(Amended at the 10th General Assembly meeting in 2010)

Introduction : Out of the will of the Arab SAIs to strengthen the relations, and cooperation, encourage the exchange of views, ideas and experiences among member SAIs, and support all means that contributes to the advancement and progress of our Arab Nation and build its comprehensive solidarity in field of financial control from both scientifically and applied aspects, in encouraging employees in SAIs to perform their work, more efficiency, and enrich their experience through training, perform postgraduate studies and refinement of information. The Arab Organization of SAIs, an Organization was established with a moral personality and legal capacity, has been established according to the following basics:

Article (1) : Definitions

The following terms and terminologies, wherever mentioned in this system, will have the following adjacent meanings as stipulated below:

- * **The Statute** : The statute of the Arab Organization of Supreme Audit Institutions on Financial and Accounting Control.
- * **The Arab Organization** : The Arab Organization of Supreme Audit Institutions on Financial and Accounting Control.
- * **The Institutions** : The Supreme Audit Institutions in Arab States.
- * **The Members** : Members of the Arab Organization of SAIs.
- * **General Assembly** : The General Assembly of the Arab Organization of SAIs
- * **Governing Board** : The Governing Board of the Arab Organization of SAIs.
- * **General Secretariat** : The General Secretariat of the Arab Organization of SAIs.

Article (2) : Objectives of the Organization and the means to achieve its objectives :

First : The Organization's Goals :

- 1- Organizing and developing cooperation with its various forms among member SAIs and strengthening the relations between them.
- 2- Encourage the exchange of views, ideas, experiences, studies and researches in field of financial control among member SAIs and aim to improve the standard of this control in the scientific and applied fields.
- 3- Provide the necessary assistance and support to member SAIs who aims to develop their techniques.
- 4- Manage the unifying of the scientific terminology among member SAIs in the field of Financial and Accounting Control.
- 5- Seek to raise awarness in audit field in the Arab World, which helps to strengthen the role of SAIs in performing their tasks.
- 6- Organizing and supporting cooperation among member SAIs of the Organization. Specialized entities and organizations of the League of Arab States, the International Organization of Supreme Audit Institutions (INTOSAI) and other international and regional institutions that are related to the financial control audit work.
- 7- Enhance to assign the Organization to nominate auditors to audit the accounts of the League of Arab States and their affiliated organizations, entities and companies funded by it, or by the Arab Countries directly and enhance to raise the performance of financial audit.

Second : Means of achieving goals :

- 1- Holding conferences and seminars to exchange ideas and experiences in various areas of control among member SAIs and develop the skills and capabilities of the human resources of these institutions.
 - 2- Forming committees to study specific issues and submit proposals and recommendations in this concern.
 - 3- Exchanging of experts among member SAIs and providing them a chance to study the applied control systems and methods in other SAIs and seeking the possibility of benefiting from it or developing them.
 - 4- Establishing a highly qualified Arab institute to train professional staff in member SAIs, enrich their informations and to hold seminars and training courses for various levels of employees.
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- 5- Formation of joint working groups for scientific research in order to prepare researches that serve to maintain the audit objectives, facilitate the functioning of the member SAIs, develop the financial management of the audited entities and its development and standardize technical financial control terminology in the arab countries.
 - 6- Encouraging innovation, translation and publishing in field of financial and accounting control.

7-Maintain the issuance of periodic magazine that publishes studies, researches and opinions issued by SAIs in the field of financial and accounting control.

Article (3) : The membership of the Organization :

All SAIs in the Arab Countries - members of the League of Arab States - are considered members of the Organization.

Article (4) : Organizational Structure of the Organization :

The Organizational structure of the Organization consists of :

- 1- General Assembly.
- 2- Governing Board.
- 3- General Secretariat.

1) **The General Assembly :**

A) Composition of the General Assembly :

Article (5) :

- 1- The General Assembly comprise of delegations of member SAIs in the Organization.
- 2- Delegations are headed by the heads of SAIs or whom are delegated to represent.
- 3- The President of the host SAI is the President of the General Assembly and a Chair of the Governing Board til the next regular General Assembly.

And has two deputies, the first is the chair of the previous regular meeting of the General Assembly, and the second is the chair of the host SAI for the upcoming regular meeting.

In case that no country will host the General Assembly, it will be convened at the headquarters Organization's General Secretariat in such case the General Assembly elects its Chairman and a second Vice-Chairman among the attending SAIs.

4- The General Secretariat participates in the General Assembly meetings and has no right to vote.

B) Competences of the General Assembly :

Article (6) :

The General Assembly is the supreme authority of the organization and practices - in particular - the following competences :

- 1- Develop the general policy of the organization to achieve its goals.
- 2- Amend the Statute of the organization in accordance with the procedures stipulated in this statute.
- 3- Discuss the matters referred to it from the Governing Board or the General Secretariat and take necessary decisions and recommendations deemed to be appropriate.
- 4- Study and approve work program for the next meeting that is proposed from the Governing Board and review the follow-up reports submitted by it.
- 5- Decide to choose means of strengthening cooperation and bonds of relations among SAIs of the organization, the specialized organizations of the League of Arab States, the International Organization of SAIs (INTOSAI) and other International and Regional Institutions working in field of audit.
- 6- Determine date and venue of the upcoming regular General Assembly meeting.
- 7- Election the Governing Board's members and designating the SAI which will be assigned to manage the affairs of the General Secretariat of the organization and its institutions.
- 8- Entrust the Governing Board and the General Secretariat with the due tasks.
- 9- Formation of specialized committees among its members entrusted with dicuss of special themes.
- 10- Approval of the financial program of the organization, to be distributed to annual budgets upon the decision of the Governing Board.
- 11- Approval of the Strategic Plan of the Organization.

C) Call for the General Assembly and Convening :

Article (7) :

-The General Assembly convenes its ordinary meeting every three years in one of the arab countries upon the invitation of the Supreme Audit institution of that country and the approval of the General Assembly or at the headquarters of the General Secretariat of the ARABOSAI.

the General Assembly may also hold an extraordinary meeting under the following conditions:

1. To agree upon within The General Assembly ordinary meeting.
2. Incase The Governing Board may request an extraordinary meeting of the General Assembly.
3. The General Secretariat may request an extraordinary meeting upon the approval of at least half of the members.
4. If the General Secretariat receives a request to convene an extraordinary meeting from at least half of its members. concerning the second, third and fourth cases, the request for the extraordinary meeting should include the reasons necessiating convening the meeting, the topics to be discussed, the proposed date for holding the meeting, and the Governing Board will discuss these reasons and topics and determine the date and venue of the extraordinary meeting.

Article (8):

The General Secretariat shall inform General Assembly's Members at least six months prior to the date of the ordinary meeting and at least three months prior to extraordinary meeting.

The General Secretariat shall be informed with GA members confirmation to attend prior to the set date for convening of the General Assembly by four months in the case of the regular meeting and two months for the extraordinary meeting.

The General Secretariat is also informed by the number of members and job titles of each delegation at least one month before the meeting.

The General Secretariat shall inform the observers with same sequance of dates.

Article (9):

1-The convention of the GA shall be considered correct when at least absolute majority of member SAIs delegations attends.

2-The duration of starting and closure of GA meetings shall be determined by the Governind Boad decisions in coordination with the hosting SAI.

The General Assembly may extend such period as the circumstance require to accomplish the tasks and subjects included in the agenda.

D) The Chairmanship of the General Assembly and managment of it's proceedings sessions :

Article (10):

1- The President of the former General Assembly shall chair the first session of the GA until the presidency is transferred to the President of the new General Assembly.

2-The chairs the General Assembly and represents the ARABOSAI during his term.

3-The President shall have two Vice-Presidents and the First Vice-President shall assume the Presidents' competences as provided for in this statule in case of his absence. And if the president and the first deputy are unable to attend, the second deputy replaces the president in his competences.

If all of them are unable to attend, the Secretary General shall act as president.

4-The President of the General Assembly shall conduct its proceedings and shall exercise, in particular, the following functions and competences:

a- The President shall call for the opening and closing of meetings and sessions and inform the General Assembly of the communications received. It also reviews the topics included in the agenda of discussion and proposes that the discussion is closed, more proposals and announce recommendations and resolutions.

b- The President and the two vice-chair shall have the right to participate in discussions and to vote on behalf of the SAIs they represent.

E) Agenda of the General Assembly:

Article (11):

The Governing Board prepares the General Assembly draft agenda which shall be circulateid to member delegations by the Ganeral Secretariat at least three months prior to the regular sessions and at least two months for extraordinary sessions.

All papers and documents related to the topics to be discussed during General Assembly should be attached to the agenda. ARABOSAI`S member may request the inclusion of any topic on the agenda one month prior to the date set for the Governing Board meeting in which the agenda is prepared.

The agenda includes in particular the following topics:

- a - Report of the Governing Board on the Progress of ARABOSAI activities and the procedures taken to ensure the implementation of the work Program adopted by the General Assembly at its previous assembly.
 - b- The draft of each work program of the ARABOSAI and its financial budget.
 - c- Proposals and topics submitted from the Governing Board, whether submitted by this GB or upon request either of the General Secretariat or of the ARABOSAI member within the procedures prescribed in this statute.
 - d- The other topics which the General Assembly has already postponed and decided to include it in its upcoming meeting agenda.
 - e- Any other topics approved to be included in the session dedicated to discuss the agenda in th General Assembly.
- Agenda of the extraordinary meeting shall only include topics upon which the GA is held for unless it is agreed upon by two - third of members.

F) Proceedings of the General Assembly:

Article (12):

- 1- General Assembly Proceedings shall be formed in the form of preliminary sessions in which all General Assembly`s members shall participate. The General Assembly may form sub-committees among its members to consider specific topics or to draft its decisions and recommendations.
- 2- The General Assembly adopts its agenda at the first session and reviews the topics for discussion according to their order in the agenda. The General Assembly may replace discussion in one topic before another.
- 3- Each delegation of the SAls shall have one vote in the General Assembly. No delegation may represent or vote for another delegation.
- 4- A vote is made and shall be either by raising the hand or calling by name or by secret written vote according to president decision upon the situation estimated by the ballot result shall be included in the minutes of the meeting.
- 5- If a delegation requests the amendment of a recommendation or a resolution discussed before the General Assembly, the voting shall be made first on the amendment principle. If approved, the vote shall then be taken on the provision of the amended resolution or recommendation.

6-The General Assembly shall take decisions and recommendations upon the approval of the absolute majority of the members present, except in the case where a vote is taken to amend the Statute or to include new topics on the agenda of extraordinary sessions it will be only upon two-thirds of it's members.

7- If the vote has equal votes the vote shall be taken again If the votes are equal for the second time it is likely to be given the side where president votes.

G) Observers:

Article (13):

International, regional and national bodies and organizations, as well as experts from arab states or others, may be invited to attend meetings of the General Assembly as observers.

The observer shall not have the right to vote. However, the President of the General Assembly can allow them to participate in discussions.

2) The Governing Board

A- Governing Board formulation :

Article (14):

The Governing Board comprise of :

- The Chair of the SAI that hosts the General Assembly or the elected president. (President of the board)
- The Chair of previous General Assembly session President (First Vice President)
- The Chair of next General Assembly session President (Second Vice President)
- The ARABOSAI General Secretariat.
- Eight members elected by the General Assembly through secret ballot, their membership lasts for six years.
 - * The General Secretariat shall notify the member SAIs to submit candidacy for membership in Governing Board , four months prior to the convening of the General Assembly, provided that applications for nomination to the

General Secretariat shall be received two months prior to the date of the General Assembly.

- * Half of the members shall be re-elected at each regular session by secret ballot.

B- Terms of reference of the Governing board:

Article (15):

The Governing board is responsible for the work entrusted to it by the General Assembly and perform in particular the following:

- 1- To implement the provisions of the Organization statute and propose the amendments which the governing board shall consider and submit them to the General Assembly for discussion and approval in accordance with the provisions stipulated in this statute.
2. To review both the draft plan of work of the Organization and the draft financial program prepared by the General Secretariat, and submit it as a proposal to the General Assembly for adoption.
3. To follow-up to the implementation of the work Program after its adoption in the General Assembly and to take the necessary measures to ensure its proper implementation, taking into account any circumstances may take place within the period between the two ordinary sessions of the General Assembly.
4. To submit a report to the General Assembly at the beginning of its ordinary session, which includes a report on the organization's activities during the previous period between the two ordinary sessions, and clarify to what extent the organization has achieved the objectives for which it was established and to propose to means to achieve them.
5. To propose the agenda of the General Assembly at its ordinary and extraordinary sessions and to prepare the necessary arrangements for its convening on due schedule in accordance with decision taken in this regard and in coordination with the General Secretariat and member SAI in the country hosting the General Assembly in case it decided to be held outside the headquarters of the General Secretariat of the organization .
- 6- To approve the call for the General Assembly to hold an extraordinary session in accordance with the procedures and rules stipulated in this statute
7. To approve the invitation of the experts , the international and regional organizations or national entities within the State (such as universities and others) whose their activities are compatible with the mandate of the Organization, to attend meetings of the General Assembly or some of the affiliated committees as observers.
8. Adopt the annual budget of the Organization and the final account for each financial year, after reviewing the financial report submitted by the Financial Control Committee for that account.
9. Adopt of the Executive Plan of the Strategic Plan of the organization.

C - Call for the Governing Board and Proceedings:

Article (16):

1. The governing board shall convene in ordinary session at least once a year. It may hold on extraordinary sessions during the year in case of necessity or upon the request of the General Secretariat.

2. The governing board shall hold its ordinary or extraordinary meetings at the headquarters of the General Secretariat or in a Member state at their invitation to host a meeting upon the approval of the Governing Board.

Article (17):

The General Secretariat shall inform member SAIs in the governing board to attend its meetings at least two months prior to the meeting.

The General Secretariat shall be informed of the confirmation of the members to attend the governing board and the number of members and job titles of each delegation prior to the meeting.

Article (18):

1. The meeting of the Governing board will be considered valid in the presence of the Chairman or his replacement, the First Vice-President and the Second Vice-President respectively in accordance with this Statute and the attendance of at least half of the members.
2. The President of the hosting SAI shall lead the meetings of the Governing board, and if he is unable to attend, he may appoint a senior official from his SAI.
3. In case any member SAI in the governing board is unable to attend the meeting of the Governing board, the General Secretariat should be notified before the date of the meeting.
4. The Governing board shall determine the date and venue of its next meeting, and invitations will be sent through the GS.

D - Presidency of the Governing Board and leading of its sessions:

Article (19):

1. The Governing Board shall be chaired by the President of the General Assembly and shall continue to chair it until the next ordinary session of the General Assembly.
2. The President will chair the sessions of the Governing Board, review the agenda and the topics included therein and other subjects. He may present some matters to the members of the Governing board by correspondence beyond the duration of the meeting.
3. The First Vice-President shall take place of Chairman in the leading the sessions of the Governing board in case that the President can not participate for any reason whatsoever. If the President and the First Vice-President can not be present, the Second Vice-President shall replace the President in the Presidency deputy. When all of them are unable to attend, the Secretary-General shall practice the competences of the Chair.

E - The Agenda of the Governing Board :

Article (20):

1. After consultation with the chair of the Governing board , the General Secretariat shall prepare the agenda and schedule send it to the members of the Governing board at least two months prior to the meeting.
2. The Governing board shall approve at the opening of each meeting the proposed agenda.
3. The agenda shall include, in particular, the following points:
 - a- Report of the President of the Governing board on his activity and the activities of the Governing board since the last Governing board meeting.
 - b- Report of the General Secretariat on its activities since the last meeting of the Governing board.
 - c- The draft financial program and budget in the meeting preceding the financial period or the fiscal year, according to the circumstances.
 - d- Topics previously decided by the Governing board to be included in the agenda.
 - e- Topics that the General Secretariat shall deem necessary to present in the Governing Board .
 - f- Any further topics.

F- Governing Board Functioning:

Article (21):

- 1- The Governing board will adopt the agenda at its first session, and the chair will review topics of the agenda as the sequence mentioned in the agenda. It is possible that the chair decides to discuss on topic before other.
- 2- Each member SAI is given one vote for ballot, and it is not accepted to represent other member or to vote on his behalf.

- 3- The Governing board takes his decisions upon the approval of attending majority, except in case of voting for the amendment of the statute or to call for an extraordinary meeting the voting will be approved by two-thirds of attending member SAIs.
- 4- Apply paragraphs “four”, “five”, “seven”, of article 12 concerning the proceedings of General Assembly, and this will imply also for Governing board proceedings.

G- The Subcommittees of the Governing Board:

Article (22):

- * The Governing board is entitled to form sub-groups and working groups from member SAIs or consult experts to examine specific topics.
- * The subgroups, working groups and experts shall submit its progress reports to Governing board including their opinion in matters examined and considered.
- * Observers are not allowed to attend Governing board meeting.

3-The General Secretariat

Article 23

The General Assembly elects one of the member SAIs to carry out the tasks of the General Secretariat in accordance with the provisions set forth in this Statute.

Article 24

The Secretary General of the Organization is the President of the SAI elected by the GA to carry out the tasks of the GS. He shall head the GS and his Deputy in the said SAI will act as Deputy Secretary General and replace him during his absence for any reason.

Article 25

The GS carry out the following tasks:

- 1- Implementing the provisions of the statute of the Organization within the framework of the tasks entrusted to it.
- 2- Preparing draft agenda of the GB meeting, including in particular the suggestions of member SAIs.
- 3- Implementing the decisions of the GB and GA within the limits required.
- 4- Carrying out the Secretariat tasks of the Organization and the affiliated organs, in particular the meetings of the GA and the GB, recording the proceedings and preparing the minutes of the meetings and circulating them to member SAIs.

In case of holding the GA or GB their meetings outside of the General Secretariat headquarters, the hosting SAI shall assist in the Secretariat work, and if the GS is not able to attend any organ's meeting held in a host country, therefore the hosting SAI shall be entitled to perform all the meeting's Secretariat work.

- 5- Inviting the Member SAIs to attend the General Assembly and the Governing Board meetings, beside Also inviting the observers to attend the General Assembly Meetings.
- 6- Developing a draft agenda and financial program of the GS.
- 7- Attending the ordinary and extraordinary Sessions of the GA and GB.
- 8- Suggesting the invitation of the Experts, Institutions and Organizations to attend the GA meetings as Observers on GB.
- 9- Suggesting holding an extraordinary meeting of GB with an explanation to the reasons behind and the topics to be discussed.
- 10- Developing a list including the names and addresses of the member SAIs , the contact department details in each SAI and taking into account the updating of such data.
- 11- Performing communications and correspondence and necessary administrative work.
- 12- Saving the minutes of the GA, GB, correspondences, Studies and Researches related to the Organization's activities .
- 13- Supervising of Organization's Publications as Studies, researches, journals, newsletters and follow up preparation, printing and distribution, unless the GB decides to entrust supervision task to a specific body established for this purpose.
- 14- Developing a draft of the annual budget of the Organization in the light of estimates included in the financial program of the organization adopted by the GA for the upcoming meeting. Also developing the draft final account for the year and the draft fiscal account of the financial program.

Article 26

GA,GB,GS, each establishes its own internal system according to the requirements of the work in the manner that not contradict with the rules of the system.

Third: Organization's Financial Matters:

Article 27

- 1-The fiscal Year of the Organization starts on the 1st January to the end of December.

- 2-GS prepares the draft financial program of the organization for 3 years which starts from the beginning of the fiscal year that follows the ordinary GA meetings. The GS submits the draft to GB for approval then it will be submitted to the GA to be adopted.
- 3-The draft annual budget is prepared by the GS within the estimates included in the financial program of the Organization adopted by the GA.
- 4-The draft budget will be submitted to GB before the GB meeting by a convenient time.
- 5- GB approves the annual budget of the organization before starting the fiscal year in which that budget is due.
- 6- GS prepares the draft of the final account for each fiscal year and submit it to the members of the financial control committee at the end of January of the fiscal year following the year which the account is due.
- 7- The final account of the budget is approved according to applicable method to approve the budget and that after reviewing the report of the Financial Control Committee.
- 8- If the approval of the financial program or the estimated budget of the organization for a financial year is delayed, the estimates of the previous fiscal year will be applied until the program or budget is approved. The collected and disbursed amounts should be included in the account of the new fiscal year.
- 9- GB Chair prepares a report on the financial situation of the organization and submit it to the GA at its ordinary meeting, indicating the extent of the implementation of the previous financial program. The approved final accounts shall be attached to this report together with the reports of the Financial Control Committee.

Article 28

The Organization's budget is funded from:

- 1- The contributions of the member SAIs in the Organization and is estimated in accordance with the rate of the contribution of the Arab Countries in the budget of the League of Arab States. The Secretary-General of the Organization shall inform the member SAIs of the amount of the contribution due to each SAI once the budget has been approved by the GB.
- 2-Grants and donations received from the member SAIs of the Organization from Organizations and Institutions on a condition that it does not conflict with the objectives of the Organization and upon approval of the GB.
- 3-The surplus realized from the previous fiscal years after having retained a reserve determined by a decision of the GB.

4-Other miscellaneous revenues.

Article29

The financial rules needed to manage the organization's funds and its expenditures are regulated by a decision of GB upon a suggestion of GS.

Article30

At every ordinary meeting ,GA appoints a Financial Control Committee comprised of 2 main SAIs from the member SAIS and 2 reserve SAIs to audit Accounts of the Organization. In case one of the 2 reserve SAIs can't fulfill this task , the GB Chair can demand 1 SAI or 2 SAIs from the member SAIs to fulfill this task.

Choice and appointment of the members of the Financial Control Committee should not be among the GB Members . This committee shall submit its report on the final account for each calendar year separatly to the GB before the end of the February of the next calendar year for same year.

Statute Amendment:

Article 31: Suggesting Amendment

- 1- The amendment of the Statute shall be presented to the GB either initially from the Board itself or upon the suggestion of the GS or a request from at least quarter of the members of the Organization.
- 2- The GB studies the proposed amendment and if approved, it will decide to include it in the draft agenda of the GA at its next meeting.

Article32: Voting on Amendments

Voting on Statute amendment will take place at GA on the principal initially, if approved with absolute majority of attending member SAIs, half of the amendments will be reviewed for discussion and voting and will not be considered approved unless with two-thirds of attending member SAIs second for it. If not the issue shall be postponed to next GA meeting to discuss and vote on its provisions.

Final and Transition Provisions

Article 33:

1st GA and 1st GB meeting of the Organization may be held after enforcing this Statute with no commitment towards fulfilling durations stipulated in the statute .

Article 34:

This Statute will come into force from 27/10/2010 and all previous versions is considered cancelled.