



Mekong River Commission

For Sustainable Development

TERMS OF REFERENCE

1. CONSULTANCY SUMMARY

Title:	Internal Auditor
Consultancy Type:	Service Contract
Division:	Office of the CEO
Duration:	24 January 2025 to 23 January 2026
Duty Station:	MRC Secretariat Office in Vientiane
Reporting to:	Audit Committee (AC), and administratively (i.e., day-to-day operations) to the Chief Executive Officer (CEO)
Expected Deliverables:	Monthly

2. INTRODUCTION AND BACKGROUND

The Mekong Rivier Commission

The Mekong River Commission (MRC) was established by the 1995 Agreement on Co-operation for the Sustainable Development of the Mekong River Basin, between the governments of Cambodia, Lao PDR, Thailand and Viet Nam. The role of the MRC is to coordinate and promote cooperation in all fields of sustainable development, utilization, management and conservation of the water and related resources of the Mekong River Basin.

The MRC Secretariat is the operational arm of the MRC. It provides technical and administrative services to the Joint Committee and the Council to achieve the MRC's mission.

VISION for the Mekong River Basin

An economically prosperous, socially just and environmentally sound Mekong River Basin.

VISION for the Mekong River Commission

A world class, financially secure, International River Basin Organisation serving the Mekong countries to achieve the basin Vision.

MISSION of the Mekong River Commission

To promote and coordinate sustainable management and development of water and related resources for the countries' mutual benefit and the people's well-being

3. OBJECTIVES OF THE CONSULTANCY

The MRC's internal auditor's work will be performed with due professional care, in accordance with appropriate professional auditing practice, especially of the following IIA standards as well as the MRCS Fraud Prevention and Anti-Corruption (FPAC) Mechanism.

4. EXPECTED RESULTS

The internal auditor must submit reports to the Audit Committee as set out in section 5 below. The reports should give concrete analysis, evidence, and feasible opinions and recommendations on the adequacy and effectiveness of the MRCS arrangements for:

- risk management, control, and governance, and
- economy, efficiency, and effectiveness

5. DELIVERABLES AND CONCRETE TIMELINES

Deliverables and Expected Quality	Frequency	Deadline
Internal audit report(s) as per annual internal audit plan (<i>prepare and issue on a quarterly basis and report to AC</i>);	Annually	Jan–Dec 2025
Internal audit progress report and related activities (<i>prepare and issue on a quarterly basis and report to AC</i>);	Quarterly	Jan–Dec 2025
Follow-up management action plan on AC recommendation(s) (<i>prepare and issue on a quarterly basis and report to AC</i>)	Quarterly	Jan–Dec 2025
Follow-up report(s) as per annual internal audit plan (prepare, issue, and report to AC);	Annually	Jan–Dec 2025
Preparation of annual internal audit plan (prepare, issue, and report to AC);	Annually	Jan–Dec 2025
Review and update of internal audit manual and internal audit charter (ongoing and as necessary);	Ongoing and as necessary	Jan–Dec 2025
Internal Audit and its Related Activities - Progress Report Summary to the Budget Committee (BC) and Development Partners (DP) (Prepare and issue on a bi-annual basis);	Twice annually	In June and November
Ad-hoc management report (prepare on management request – This includes Independent evaluations of allegations related to fraud, waste, abuse, or other wrongdoing and improper activities that may involve misuse or misappropriation of funds.);	Ad-hoc (as necessary)	Jan–Dec 2025
Consultancy engagement/training per annual internal audit plan (This includes training/presentation to staff regarding the role of internal audit or corporate governance best practice guidance and supporting management in imparting appropriate risk and control skills and techniques so that team members are better equipped to undertake their own role effectively); and	Annually	Jan–Dec 2025
Other necessary administrative work and management support activities (ongoing and as necessary).	Annually	Jan–Dec 2025
Total Number of Year	1 year	

6. REQUIRED TASKS AND RESPONSIBILITIES

The MRC's internal auditor's work will be performed with due professional care, in accordance with appropriate professional auditing practice, especially of the following IIA standards as well as the MRCS Fraud Prevention and Anti-Corruption (FPAC) Mechanism.

- **MRCS FPAC Mechanism¹:**
 - Oversees the adequacy of the fraud and corruption prevention and detection activities set out in the FPAC Mechanism as well as the effectiveness of their implementation, including risk management and internal control processes,
 - Promotes appropriate ethics and values within the MRCS as well as compliance to the MRC Operational Manuals,
 - Carries out assigned investigations of suspicions of fraud, corruption, or other types of misconduct, if requested,
 - Communicates fraud risks and control information to the MRC Employees through training sessions on the Code of Conduct (COC) and the FPAC Mechanism.

- **IIA standards²:**

IIA - 2110 – Governance: The internal audit activity must assess and make appropriate recommendations to improve the organization's governance processes - International Standards for the Professional Practice of Internal Auditing (Standards):

- Making strategic and operational decisions.
- Overseeing risk management and control.
- Promoting appropriate ethics and values within the organization.
- Ensuring effective organizational performance management and accountability.
- Communicating risk and control information to appropriate areas of the organization.
- Coordinating the activities of, and communicating information among, the board, external and internal auditors, other assurance providers, and management.

1120 – Individual Objectivity: Internal auditors must have an impartial, unbiased attitude and avoid any conflict of interest.

1220.A1 – Internal auditors must exercise due professional care by considering the:

- Extent of work needed to achieve the engagement's objectives.
- Relative complexity, materiality, or significance of matters to which assurance procedures are applied.
- Adequacy and effectiveness of governance, risk management, and control processes.
- Probability of significant errors, fraud, or noncompliance.
- Cost of assurance in relation to potential benefits.

1310 – Requirements of the Quality Assurance and Improvement Program The quality assurance and improvement program must include both internal and external assessments.

¹ Responsibilities of Internal Auditor are mentioned the MRCS FPAC Mechanism section 5.5 page 16.

² Definition of Internal Audit: The Institute of Internal Auditors (IIA) defines internal audit as the "independent, objective assurance, and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes."

2110.A1 – The internal audit activity must evaluate the design, implementation, and effectiveness of the organization’s ethics-related objectives, programs, and activities.

2110.A2 – The internal audit activity must assess whether the information technology governance of the organization supports the organization’s strategies and objectives.

2120.A1 – The internal audit activity must evaluate risk exposures relating to the organization’s governance, operations, and information systems regarding the:

- Achievement of the organization’s strategic objectives.
- Reliability and integrity of financial and operational information.
- Effectiveness and efficiency of operations and programs.
- Safeguarding of assets.
- Compliance with laws, regulations, policies, procedures, and contracts.

7. PAYMENT MODALITY

- Monthly payment

Note: Consultancy rate is defined by the MRCS consultancy rate policy and the level of consultancy. MRC is a tax-exempted agency for the work done for the MRC. Consultant, in case mission is required, will be covered with a return ticket to and from the assigned duty stations with a daily related subsistence allowance of 75% of the UN for the mission days.

8. INTELLECTUAL PROPERTY RIGHTS

Intellectual property rights - IPR: Information, data, database, knowledge resources in the forms of briefings, reports, proceedings, articles, essays, etc. issued by and for the MRCS will be the MRCS property.

Any utility, announcement and disclosure that are without MRCS highest levels of authority’ permission is considered illegal and will be charged by relevant local and international legal procedures.

9. DECLARATION OF NON-FRAUDULENCE AND PROTECTION OF PERSONAL DATA

Non-Disclosure of Information:

During the term of the appointment, the Internal Auditor may gain access to MRC protected or classified information, including such things as financial statements, strategic plans, and Member Countries documents. The Internal Auditor shall hold all such protected or classified information in strict confidence. Unless otherwise agreed by the MRC Secretariat and MRC JC, the Internal Auditor shall not disclose, copy, transmit or provide protected or classified information to a third party. In addition, the Internal Auditor shall not discuss or disclose the reports, operations, decisions, or recommendations of the internal audit activity/department to third parties.

Post-service confidentiality disclosure:

The Internal Auditor shall not make representations to MRC or solicit business from MRC’s Development Partners and Member Countries for a period of three (3) year post-services.

10. WORKING ARRANGEMENT

Communication Line: Audit Committee (AC) and Joint Committee (JC).

Administratively (i.e., day-to-day operations) to the Chief Executive Officer (CEO)

11. QUALIFICATIONS AND REQUIREMENTS

- Minimum bachelor’s degree in accounting, Finance, Law, and other relevant fields.
- Global Professional qualification e.g., IIA, CPA, IPA, or equivalent is highly preferred.
- Senior role: at least 8 years auditing experience, in an international/public sector audit organization.
- Excellent stakeholder engagement skills and the ability to influence at all levels.
- Considerable experience in developing and executing Internal Audit Plans using a risk-based approach.
- Experienced auditing international and government organizations.
- High-level interpersonal, negotiation, and communication skills, including experience in cross-cultural environments and international settings.
- Competency in computer skills with adequate knowledge of Microsoft Office and Outlook where relevant to the position.
- Proven ability for accuracy under pressure and adherence to deadlines.
- Excellent command of English, written and spoken.

12. SIGNATURE BLOCK

MRCS:

Incumbent:

Full Name: Santi Baran

Full Name:

Title: Chief Strategy and Partnership Officer

Title:

Signature: _____

Incumbent’s Signature: _____

Date: _____

Date: _____