EUROSAI
European Organisation of Supreme Audit Institutions

Annex 5: Project Closure

1. Basic information on the Project Group:

1.1 Name of the Project Group (PG): "Raising the Awareness of the SAIs on the Enterprise Risk Management (ERM) of the auditees and using the ERM approach in developing risk-based annual audit plans"

1.2 Link with EUROSAI Strategic Plan (Strategic Goal/Portfolio to which is linked): Objective 1.2 "To support the development of innovative approaches and methods in audit and governance of SAIs making use of new technologies"

1.3 Lead SAI and Participants: Turkish Court of Accounts (TCA) as leader of the PG, SAIs of Hungary and Romania as observers.

1.4 **Criteria used for the invitation/determination of participating SAIs:**
In order to comply with EUROSAI values and safeguard inclusiveness, as foreseen in rule 67 of the General Procedures for the ESP 2017-2024, membership was kept open to all members of EUROSAI. At GB meeting at the technical level and GB meeting held in October and November 2021 respectively, the context of the PG was introduced to all participants and the call for interested SAIs was made. Also, negotiations with various SAIs continued after the ToR's approval and SAIs were invited to the PG via e-mail correspondence. A survey among EUROSAI members was applied to ensure the inclusiveness and create a room for different perspectives as well as to reach the goals of the project. Therefore, SAIs were welcomed to join as respondents to the surveys.

1.5 **Resources used (in-kind resources and financial resources if any):**
TCA provided staff to coordinate and carry out the activities regarding the project. Working hours dedicated to the project and the application of the survey, to the drafting of the output document, efforts on its design and also to the execution of internal and external peer review process, were the main resources used.

1.6 **Contact Person:** Principal Auditor Emine Ersöz (emineersoz@sayistay.gov.tr ; 0090 312 295 34 32)

2. Results achieved (to be included in the Progress Report of the relevant Strategic Goal/Portfolio):

- The objective of the PG was to:

- determine the level of awareness of the SAIs on risk management (RM),

- understand the general concept of the organizations' risk practices under the relevant SAIs' mandate (e.g., whether the long-term planning is stimulated by regulations or there is an applicable RM framework within the public sector environment),

- reveal the most basic practices of SAIs about their auditees' RM systems, such as whether they carry out assessment/evaluation of auditees' risk practices, and

- lay the groundwork for the development of methodology for risk-based annual audit plans. The output is designed to provide an understanding to the reader to assess,

- To achieve the PG's goals, a questionnaire consisting of the following four parts was developed and launched between 24 March 2022 and 16 May 2022 within the EUROSAI region:

  1. SAIs' Awareness of RM
  2. RM Practices of the Auditees
  3. SAIs' Practices Regarding the Auditees' RM
  4. Consideration of RM Practices of the Auditees in Annual Audit Planning

- An assessment report was prepared based on the survey result which basically revealed that the SAIs' awareness of RM is quite satisfactory, so are their practices regarding the auditees' RM. Furthermore, the PG's result shows that majority of respondent SAIs have already considered risks in their annual audit plans. Hence, further planning for the development of a systematic method for risk-based annual audit plans for SAIs, which do not consider risks in their planning or have a limited list of risk criteria, is one of the takeaways of the PG.

3. Main products of the Project (for their dissemination as described above): the PG leader will attach the documents or include the link to them.

An assessment report titled as "RAISING THE AWARENESS OF THE SAIS ON THE ENTERPRISE RISK MANAGEMENT (ERM)-ERM approach in auditing and developing risk-based annual audit plans" is the output of this Project Group. It is attached as envisaged.

4. Accountability provision:

4.1 "*Quality and Transparency Statement*" is attached to the output.

Feedbacks from 28 EUROSAI members were received for the Survey. Draft output was reviewed by SAIs of Romania and Finland as peer-reviewers. Its quality control was done internally by colleagues with expertise on the topic. The output was also reviewed by our interpreters for language check.

5. Dissemination activities:

5.1 **Materials and outputs documents (or links to them, if applicable).**

An assessment report titled as "RAISING THE AWARENESS OF THE SAIS ON THE ENTERPRISE RISK MANAGEMENT (ERM)-ERM approach in auditing and developing risk-based annual audit plans" which is the output of this Project Group, is attached.

In the following course, the document can be uploaded in the EUROSAI database of products and BIEP. Also a draft text of e-mail for dissemination to members will be prepared and delivered.

5.2 **Draft text of piece of news for the EUROSAI website:**
In the following course, draft text of piece of news will be prepared and delivered.

5.3 **Draft texts and pictures for social media:**

In the following course, draft texts and pictures for social media will be prepared and delivered.

6. Lessons learned (ideas, clues and suggestions for related future works, if any):

- Contributions of respective SAIs who carried out the peer-review of the Paper (SAI Romania and Finland) added great value to the development and quality control of the document. Such peer-review request from interested SAIs is therefore advisable for all PGs.

- This output can be perceived as a dynamic document which may need updates and improvements led by the feedbacks coming from the key players.

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Annex 6.1

Quality and Transparency Statement

This is to certify that << The assessment report titled as "RAISING THE AWARENESS OF THE SAIS ON THE ENTERPRISE RISK MANAGEMENT (ERM)-ERM approach in auditing and developing risk-based annual audit plans"**» has been developed by following the Quality and Transparency process stated in the "QUALITY AND TRANSPARENCY PROTOCOL FOR EUROSAI PRODUCTS AND DOCUMENTS " as detailed below:**

i. **Representation of the membership of the PG/TF/WG or group elaborating the product:**
Turkish Court of Accounts (TCA) is the leader of the PG launched under EUROSAI ESP SG1. SAIs of Hungary and Romania joined the PG as observers. Feedbacks from 28 EUROSAI members were received for the Survey conducted and 2 member SAIs provided peer-review support.

ii. **External stakeholder representation/contribution, if any.**

NA

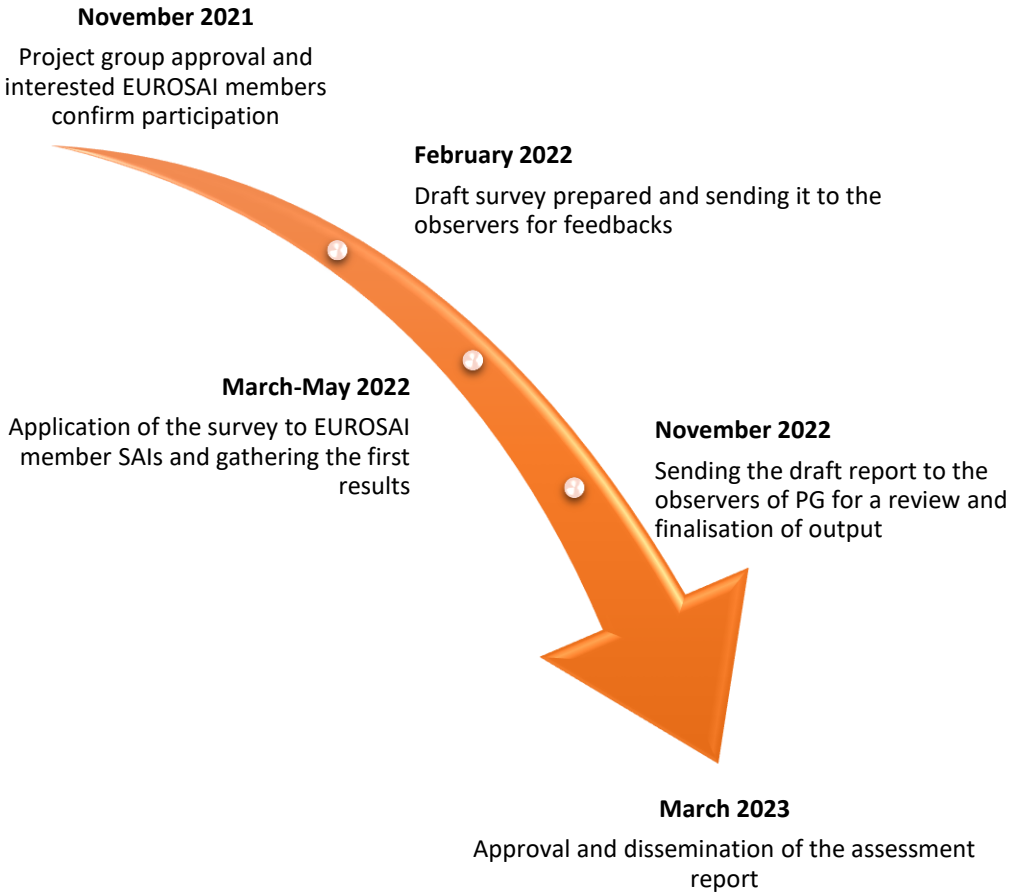
iii. **ToR/Work plan: existence and approval of a ToR/Work Plan to develop the product.**
ToR of the PG was approved by the EUROSAI Coordination Team in February 2022.

iv. **Openness and transparency**
At GB meeting at the technical level and GB meeting held in October and November 2021 respectively, the context of the PG was introduced to all participants and the call for interested SAIs was made. Also negotiations with various SAIs continued following the ToR's approval and they were invited to the PG via e-mail correspondence.

Progress regarding the output of the PG were presented on different occasions organized through the late 2021 and whole 2022, such as the EUROSAI Post-Congress Get-Together held in May 2022 (Brochure "A Quick Update on Project Groups Set by the TCA for ESP 2017-2024/2021-2022 PERIOD was prepared and delivered), EUROSAI GB meetings (both technical and presidential level) as well as EUROSAI SG1 meeting.

Survey was sent to EUROSAI members for inclusiveness and also peer-review were reflected in the document.

v. **Work method**



vi. **Exposure:**

The output document will be sent by e-mail to all EUROSAI members, and made available to EUROSAI community and external stakeholders on the EUROSAI website (database of products) as well as BIEP.

Metin YENER
President of the Turkish Court of Accounts