

## **SUMMARY OF THE MAIN DISCUSSIONS AND AGREEMENTS (SoA)**

### **50<sup>th</sup> EUROSAI GOVERNING BOARD MEETING**

#### **Jūrmala (Latvia), 12 - 13 June 2019**

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The 50<sup>th</sup> meeting of the EUROSAI Governing Board (GB) took place in Jūrmala, Latvia, on the 12<sup>th</sup> - 13<sup>th</sup> of June 2019. The meeting was chaired by Mr. Seyit Ahmet Bař, President of the Turkish Court of Accounts (TCA) and President of EUROSAI, and hosted by the State Audit Office of the Republic of Latvia. This document summarizes the main discussions and agreements and includes the key action points as a result of them.

### **I. KEY ACTION POINTS**

For clarity purposes and to facilitate the follow up of the 50<sup>th</sup> EUROSAI GB meeting, the actions required for taking forward the initiatives discussed during the meeting have been summarized in the table below:

<b>Agenda item reference</b>	<b>Brief Description</b>	<b>Action Required</b>	<b>Responsibility</b>	<b>Timeframe</b>
<b>3</b>	30 <sup>th</sup> anniversary of EUROSAI	Launch diverse commemorative initiatives along 2020, including a special event during the XI Congress (June 2020)	Upcoming Presidency, Secretariat and key EUROSAI players	End of 2020
<b>4.2</b>	Strategic Goal 2 Secondment Program	Launch the competition of the Secondment Program for selecting the secondees	SAI of Poland	
<b>4.2</b>	Strategic Goal 2 activities on cooperative audits	A cooperative audit on SDG within EUROSAI	SAI of Poland	
<b>5.1</b>	Portfolio on Overall Governance and Culture	Document tested on the Design the QA process for the EUROSAI products presented for approval at the next 51 <sup>st</sup> GB meeting	SAI of Turkey	June 2020
<b>5.2</b>	Portfolio on Emerging Issues and Forward Thinking	Emerging Issues materials to be shared at the EUROSAI stand (XXIII INCOSAI)	SAI of Finland	September 2019

Agenda item reference	Brief Description	Action Required	Responsibility	Timeframe
5.2	Portfolio on Emerging Issues and Forward Thinking	To organise and deliver a workshop on Emerging Issues at the XI EUROSAI Congress	SAI of Finland	June 2020
5.3	Portfolio on Relations with non-SAI Stakeholders	Survey on Integrated reporting	SAI of the Netherlands	End of 2019
5.3	Portfolio on Relations with non-SAI Stakeholders	Stakeholder management framework	SAI of the Netherlands	June 2020
5.4	Portfolio on Relations with other INTOSAI Regional Organizations	Dates and topic of the III EUROSAI-OLACEFS Joint Conference to be submitted to OLACEFS for endorsement, following which the GB and the Conference host will be updated	Secretariat	June 2019
5.4	Portfolio on Relations with other INTOSAI Regional Organizations	Assistance to the host of III EUROSAI OLACEFS Joint Conference (September 2020)	Secretariat	June 2019 - September 2020
5.4	Portfolio on Relations with other INTOSAI Regional Organizations	If no external fund is found, allocation of 5,000 euros in 2020 Budget for supporting AFROSAI's training activities with EUROSAI experts	Secretariat	On a request basis
5.5	Portfolio on Communication	To seek for a solution on section 4 of the draft Communication Framework proposed by the SAI of Latvia	SAI of Latvia, Secretariat and other GB members (such as current and incoming Presidencies)	Mid-August 2019
6	Coordination Team's update	Provide information about the closure procedure to the leaders of the closing PGs	SAI of Turkey (as Chair of CT)	Ongoing

Agenda item reference	Brief Description	Action Required	Responsibility	Timeframe
6	Coordination Team's update	Piloting and testing the applicability of a quality assurance process for EUROSAI products	SAI of Turkey (as Chair of CT)	Reporting period 2019 -2020
6	Coordination Team's update	Coordinate the drafting of the mid-term review report of the ESP 2017 - 2023 to be submitted to the 51 <sup>st</sup> GB meeting and the XI Congress	SAI of Turkey (as Chair of CT)	June 2019 - June 2020
7	EUROSAI IT Working Group (ITWG)	Continue the work on the Parallel audits platform	SAI of Poland	June 2019 - June 2020
9	EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes (WGAFADC)	Launching of a survey to identify possible topics for conducting audits on the implementation of the Agenda 2030 in the part related to the activities of the WG	WGAFADC	June 2019 - June 2020
10	EUROSAI Task Force on Audit and Ethics (TFA&E)	Complete the following tasks: ethics training model and e-course; the activities to support the implementation of ISSAI 30 and completing the related guidance; the roll out of the IntoSAINT self-assessments; and the assessment on the state of the art on Integrity in European SAIs	TFA&E	June 2019 - June 2020
11	EUROSAI Task Force on Municipality Audit (TFMA)	Finalise the EUROSAI "TFMA Audit Compendium" on the topic of "Municipality - owned companies"	EUROSAI TFMA Secretariat	By the end of 2019
13	Implementation of Staff Secondment Programme	Implementation of the EUROSAI Secondment Programme, which is to be partially funded through the EUROSAI budget	SAI of Poland	June 2019 - June 2020

Agenda item reference	Brief Description	Action Required	Responsibility	Timeframe
13	Implementation of Staff Secondment Programme	Revision of the implementation of the EUROSAI Secondment Programme	SAI of Poland	June 2020
13	Auditors' recommendations regarding cumulative surplus in the Welfare Fund	GB members are invited to provide the Secretariat, for the drafting of the EUROSAI budget 2021 - 2023, any indications and guidance regarding the cumulative surplus in the Welfare Fund that they deem appropriate	GB members	Before May 2020
13	Auditors' recommendations regarding publicity of the EUROSAI Financial Statements	Publish the full EUROSAI financial statements in a restricted area of the EUROSAI website and the Auditors' Reports and the summary of the EUROSAI financial statements in the open area of the EUROSAI website	Secretariat	After XI Congress (June 2020)
15	Election of auditors for 2020 - 2022	Explore the willingness of the current auditors to run for another term and proceed consequently	Secretariat	June 2019 - June 2020
15	Election of auditors for 2020 - 2022	Draft a protocol to be followed for the selection process of auditors	Secretariat	June 2019 - June 2020
15	Election of new members for the GB (2020 - 2026)	Draft a protocol to be followed for the selection process of GB members	Secretariat	June 2019 - June 2020
15	Election of EUROSAI Presidency (2023 - 2026)	Draft a protocol to be followed for the selection process for the EUROSAI's Presidency	Secretariat	June 2019 - June 2020
18	EUROSAI booth at the XXIII INCOSAI	Coordination and management of the activities to be displayed in the EUROSAI booth during the XXIII INCOSAI	Secretariat and Presidency	June 2019 - September 2019

Agenda item reference	Brief Description	Action Required	Responsibility	Timeframe
20	EUROSAI candidates for the INTOSAI GB for the period 2019 - 2025	Submission of the EUROSAI candidates to become members of the INTOSAI GB	Secretariat	21 June 2019

## II. MAIN DISCUSSIONS AND AGREEMENTS

### Item 1 and 2. Agenda of the 50<sup>th</sup> GB Meeting and minutes of the 49<sup>th</sup> GB meeting

The agenda of the 50<sup>th</sup> GB meeting and the minutes of the 49<sup>th</sup> GB meeting were approved.

### Item 3. EUROSAI Activity Report 2018 - 2019

The Secretary General of EUROSAI explained the activities carried out related with the implementation of the Operational Plan (OP), namely, the execution of the Portfolio on Relations with other INTOSAI Regional Organisations, the assistance to the Coordination Team in its functions, the collaboration with the co-leaders of the Strategic Goals (SGs), the contribution to the work of the Communication Portfolio, the assistance to the Presidency in the development of the EUROSAI OP website and the organization of the EUROSAI GB off-site meeting held in November 2018, and the coordination of the "e-Course on performance audit". Regarding the tasks related to the Secretariat's inherent functions, she referred to the activities aimed at budget management; the cooperation with INTOSAI; the coordination and publication of EUROSAI magazine, and the maintenance and constant updating of the EUROSAI web page, recalling that the project to renew the EUROSAI web page had been put on hold during the 49<sup>th</sup> GB meeting. The Secretary General reminded that 2020 would mark EUROSAI's 30<sup>th</sup> anniversary and, thus, a celebration during the XI EUROSAI Congress had been planned to commemorate this occasion; the Secretariat, in cooperation with the main EUROSAI actors, would lead several additional initiatives.

*The GB took note of the Secretariat's activity report.*

### Item 4. Overall implementation of the Strategic Goals and update of the OP

The President of EUROSAI explained that the Coordination Team had prepared the *consolidated Annual progress report of the SGs*, together with the *executive summaries*. Concerning expectations towards the GB and the EUROSAI Community, he reminded that the core expectation of the SG co-leaders mainly focuses on increasing the added value and a more active use of EUROSAI products, such as the databases of audits, products and surveys, the Benchmarking Information Exchange Project (BIEP) Portal and the Innovations Newsletters, in what refers to SG1 projects. Support to SG2 projects, such as the EUROSAI Secondment Programme or the planned EUROSAI cooperative audit on Sustainable Development Goals (SDGs), was also needed.

*The GB took note of the consolidated annual progress report of the SGs and approved the updated Operational Plan of SG1 & 2.*

#### 4.1. Implementation of SG1 (Professional cooperation)

On behalf of SG1, the SAI of the Czech Republic presented the progress made in implementing the SG1's OP, informing about the 2<sup>nd</sup> SG1 meeting held in Tirana (Albania) in October 2018 and about the projects that had already been completed, such as the parallel audit on e-commerce, the workshop on reactive and rapid audit reporting organised by the SAI of the United Kingdom. The following four SG1 short-term projects were described: the 4<sup>th</sup> YES Conference (London, 4-7 November 2019), the EUROSAI-AFROSAI Joint Seminar "Sharing experiences on auditing for SDGs" (Lisbon, November 2019), the international hackathon to be organized by the SAI of the Czech Republic in 2020 before the Congress, and the Project Group on Follow-up of implementation of audit recommendations, led by the SAI of Belgium. As for the SG1 ongoing projects, the management of the EUROSAI databases of audits, products, trainings and surveys, the launching of the BIEP Project, and the two Innovations newsletters published (December 2018 and April 2019) were highlighted.

*The GB took note of the information related to SG1's key results and products obtained since the previous GB meeting.*

#### 4.2. Implementation of SG2 (Institutional capacity development)

The co-leaders of the SG2 (SAIs of Poland and Sweden) explained SG2's objectives and the progress made since the last GB meeting. The main SG2 projects presented were; the Audit Methodology Meeting held in Warsaw (Poland) in October 2018, the workshop on long-term peer-to-peer capacity building held in February 2019 in The Hague, the e-course in Performance Auditing, and the Joint EUROSAI-ECIIA PG on Integrated Reporting, led by the SAI of The Netherlands in cooperation with the European Confederation of Institutes of Internal Auditors (ECIIA). They highlighted the importance of encouraging institutional development through self-assessment, peer reviews and other evaluations, informing on the self-assessment carried out by EUROSAI members so far. Information on the auditing of SDGs in EUROSAI was also presented, and the SAI of Poland offered to take up the role of coordinator of a EUROSAI co-operative audit on SDGs. The proposed Terms of Reference (ToR) for the EUROSAI Secondment Programme were also explained by the SAI of Poland.

*The GB took note of the information related to SG2's key results and products obtained since the previous GB meeting and the offer of the SAI of Poland to coordinate a EUROSAI co-operative audit on SDGs.*

*The GB approved the ToR for the EUROSAI Secondment Programme.*

### Item 5. Overall implementation of the Governance Portfolios and update of the OP

The EUROSAI President briefly informed about the *consolidated annual progress report of the Governance Portfolios*, and submitted for approval the updated version of the OP related to the Governance Portfolios.

*The GB took note of the consolidated annual progress report of the Governance Portfolios.*

*The GB approved the updated version of the OP related to the Governance Portfolios' projects.*

#### 5.1. Overall Governance and Culture Portfolio

The EUROSAI President explained the objective of the Portfolio and listed the activities related to the implementation strategies carried out during the period 2018 - 2019. The "Off-site of EUROSAI GB Members: Governing as a Team for the Future" meeting held in İstanbul, on 19 November 2018,

resulted in the document “Key Principles and Good Practices for Governing as a Team” and an “Action plan”. An EUROSAI OP webpage was designed and launched to make the OP more visible and accessible to members and also to provide EUROSAI’s key players a platform where to publish the results of their work and to facilitate the monitoring of their activities. Ensuring a wider use of the EUROSAI OP webpage among all members and developing “Quality Assurance of EUROSAI Products” were the next steps of the Portfolio.

*The GB took note of the information provided on the implementation of the Portfolio on “Overall Governance and Culture”.*

## 5.2. Emerging Issues and Forward Thinking Portfolio

The SAI of Finland, holder of this Portfolio, explained the issues identified through the web-based dialogue in September 2018, regarding the expectations of SAIs related to a changing world and how SAIs should take this factor into account in their Strategic plans and audit methodologies. The identified issues were linked to the need of cooperation between institutions in order to face new challenges. The most frequent topics that came up in the survey were digitalization, technology development, artificial intelligence and data; environment and climate, sustainability; societal changes, aging of the population; changes in politics and media, impact on the validity of information; building partnerships and increasing co-operation; and changes in audit work in general. The Portfolio planned to hold another workshop on emerging issues during the next EUROSAI Congress in 2020, following the one organized with ASOSAI during the III EUROSAI-ASOSAI Joint Conference held in Israel in March 2019, and materials of this Portfolio would be presented in the EUROSAI booth of the XXIII INCOSAI.

*The GB took note of the information provided on the implementation of the Portfolio on “Emerging Issues and Forward Thinking”.*

## 5.3. Relations with non-SAI Stakeholders’ Portfolio

The SAI of the Netherlands, holder of this Portfolio, pointed out that it considers its role as the public relations officer of EUROSAI, trying to convey the EUROSAI message and activities to the world outside of SAIs, but also to bring back the information of the outside world to the EUROSAI community. The dialogue established, for instance, with the European Bank for Reconstruction and Development was highlighted, as was the professional cooperation with the Auditors Alliance of the OECD, and the PG on Integrated Reporting with ECIIA (the Survey on integrated reporting would be ready by the end of 2019). Future plans of the Portfolio included the further development of the stakeholder management framework, focused on the practical use, and the smooth handover of the Portfolio during the next EUROSAI Congress.

*The GB took note of the information provided on the implementation of the Portfolio on “Relations with non-SAI Stakeholders”.*

## 5.4. Relations with other INTOSAI Regional Organisations Portfolio

The Secretary General of EUROSAI, holder of this Portfolio, informed on its implementation since the last GB meeting and put forward the topic and dates proposed by the SAI of Hungary for the IX EUROSAI-OLACEFS Joint Conference of 2020, as well as a funding proposal for the cooperation with AFROSAI, which included the acceptance of the financial scheme described in the resolution for the execution of these cooperation activities and the allocation of a maximum amount of 5,000 euros from chapter 2 of the EUROSAI 2020 budget, which would be reviewed annually on the basis of the Portfolio holder’s report. In those cases where the costs of participation of EUROSAI experts were not financed

by their respective SAIs and no external donor funding was available, they would be financed from the EUROSAI budget.

*The GB endorsed the theme -“Increasing the impact of SAI’s work”- and dates -9-11 September 2020- proposed by the SAI of Hungary for the IX EUROSAI-OLACEFS Joint Conference. The EUROSAI Secretariat would submit them to OLACEFS for their final approval.*

*The GB agreed on the financial scheme for the implementation of the cooperation activities between EUROSAI and AFROSAI and the allocation of a maximum amount of 5,000 euros from chapter 2 of the 2020 EUROSAI budget, being this allocation annually revised on the basis of a report from the Portfolio holder.*

*The GB took note of the information provided by the SAI of Spain regarding the progress made in the Portfolio on “Relations with other INTOSAI Regional Organizations” and that provided by the SAI of Portugal related to the 1<sup>st</sup> Seminar EUROSAI-AFROSAI on SDGs to be held, in Lisbon, on 21-22 November 2019.*

## 5.5. Communication Portfolio

The SAI of Latvia, holder of this Portfolio, gave a brief background on EUROSAI’s communication and explained the proposal for the enhancements in this field. The Communication Portfolio’s work had been structured around two main documents, that is, an *analysis of the current communication practices* and a *draft Communication Framework (CF)* which proposed solutions in a step by step approach, with an Action Plan for its implementation. SAI Latvia explained that, the involvement of a high number of players in EUROSAI communication activities, as is the practice for many other core functions, may not successfully work for the EUROSAI communication as communication is a management function of an international organization. In their view, a professional in communication therefore was needed at the Secretariat to strengthen its capacity to achieve the needed improvements in EUROSAI communication. EUROSAI would finance this expert, estimating the yearly expenses from EUROSAI budget in 55,000 euros and SAI Latvia considers necessary to set a 2 year test period to assess the achieved results and re-assess whether further investment from the EUROSAI budget is well-founded and justifiable.

SAI Latvia explained that they had received proposals from a couple of GB members reflecting different views on how the communication framework could be implemented. The suggestion from the Secretariat was to share communication, so part of it would be managed by the SAI of Spain and the other part by the SAI of Latvia or other voluntary SAIs. Another suggestion was to go ahead with the proposed framework but excluding section 4 (division of responsibilities between key players). In this regard, SAI of Latvia indicated that they were open and ready to take on comments as far as they were not contrary to their concept of communication.

The Secretary General fully agreed with the “step by step” approach and with the philosophy of the communication framework; her concerns being mainly focused on section 4 (assignment of responsibilities). In this regard, she highlighted that the Secretariat was already performing numerous tasks related to communication and that those contemplated in the Communication Framework were just the peak of the iceberg of its daily work in that field. The fact that the Secretariat was a key player in EUROSAI communication did not mean it was the only agent, and thus, the tasks of communication could be carried out by the Portfolio holders in cooperation with other SAIs (even if they are not GB members), and always with the support of the Secretariat (in fact, the Portfolios were created to achieve a greater balance in the workload of the Secretariat, Presidency and the GB). The Secretary General was concerned about taking on board all the communication responsibilities described in the Communication Framework and also about losing the involvement and inclusiveness gained with the Portfolios. She also recalled that the GB had already agreed on the importance of communication in



EUROSAI back at the end of the Istanbul Congress, as was reflected by the decisions it had adopted when creating a Portfolio on this issue and another Portfolio on Relations with non-SAI Stakeholders - also very related to communication-.

The Secretary General wondered if such a communication expert would be better placed at the Portfolio holder SAI and if permanently maintaining such an expert would be financially sustainable, taking into account that it would consume half of the EUROSAI annual budget. She added that the expert should be knowledgeable about the Organisation and not just about communication issues, EUROSAI members being able to identify better their stakeholders and needs. In this regard, SAI Latvia expressed that in the core of their proposal for the communication framework was the approach not to split the activities and the staff of the daily communication of EUROSAI in order to avoid confusion in member SAIs, therefore, they wanted to place the expert within the Secretariat to enhance EUROSAI's communication key player. As concerns new modern tools and communication solutions for EUROSAI – it was the offer of SAI of Latvia as the holder of the particular Portfolio - to develop, propose, test them and then hand over to other partner SAIs.

SAI Latvia suggested a two month period to try to find a solution on how to split tasks and functions, but stated that if no agreement was found within two months, they would call back the proposal. The participants of the meeting agreed to have a break at this stage, in order to further discuss the issue and try to find a solution for the way forward.

After the meeting resumed, Ms. de la Fuente offered to host a meeting in Madrid between the SAI of Latvia, the Secretariat and other stakeholders (such as the current and incoming Presidencies) in order to propose to the GB a further discussed section 4, so that an agreement could be reached. SAI Latvia stated that if there was a failure to reach an agreement, they would automatically call back both drafts (Communication Framework and Action Plan).

Other GB members remarked that if both parties agreed during this two month period, the whole GB would be satisfied and it was suggested, as an element of flexibility for those discussions, that if certain items remained under the status of “non-agreement”, this should not be perceived as a failure provided they were not essential elements, for the whole structure could not be taken down just because there was no agreement in certain subjects. The Presidency also suggested drawing from INTOSAI's approach on Communication in further discussions, as they have developed two separate documents, the Framework and the Guidelines, to differentiate conceptual issues from practical issues.

*The GB took note of the EUROSAI Communication analysis conducted by the SAI of Latvia, the Portfolio holder on Communication.*

*GB members supported the main lines of the draft Communication Framework and the 2019 - 2020 Action Plan presented by the Communication Portfolio holder, though certain aspects (in particular, the attribution of responsibilities included under section 4 of the Communication Framework) were identified as needing further discussion prior to their final agreement.*

*The GB accepted the offer of the SAI of Latvia to try to find a joint solution on how to split tasks and functions within a two-month period. This was seconded by the SAI of Spain, who offered to hold a meeting in Madrid to further discuss the split of task of section 4 of the Communication Framework. After that period of time, the GB would receive either the agreement reached or the withdrawal of the draft resolution related with the Communication Framework and the Action Plan 2019 - 2020.*

## **Item 6. Update from the Coordination Team**

The President of EUROSAI gave an update on the activities of the Coordination Team (CT), starting with the 5 financial requests approved by the CT for a total amount of 24,883.85 euros to support EUROSAI activities. The CT team had also approved the list of training events for 2019 - 2020 prepared by the SAI

of the Czech Republic and prepared a template for the closure procedure of any PG initiated within EUROSAI and a draft outline of the EUROSAI Strategic Plan (2017 - 2020) Mid-term review report that will be presented to the 51<sup>st</sup> EUROSAI GB meeting and the XI EUROSAI Congress 2020.

A representative of the EUROSAI Secretariat introduced the need of ensuring a good quality of EUROSAI products in order to avoid any reputational risk for the Organisation. INTOSAI had already approved a specific Quality Assurance (QA) process, for documents produced outside the IFPP, and developed a Joint Paper on QA INTOSAI public goods that had been approved during the 70th INTOSAI GB in 2017. QA Certificates and templates were presented during the 71<sup>st</sup> INTOSAI GB meeting in November 2018 and during the INTOSAI Regions Coordination Platform's meeting held in June 2018, the templates to be used as certificates were shared and a discussion on the use of a similar system by the Regions were held. In this regard, the EUROSAI CT was of the opinion that EUROSAI should follow this initiative and design a specific process for the products that carry the EUROSAI brand, informing users about the QA processes they have been subjected to.

*The GB took note of the information provided related to the:*

- a) *Financial requests approved by the Coordination Team during the first semester of the financial year 2019, for a total amount of 24,883.85 euros, to support EUROSAI activities led by the SAIs of Albania, Israel, Latvia, Malta and ECA.*
- b) *Updated list of EUROSAI training events 2018 - 2020.*
- c) *Quality assurance process related to EUROSAI products.*
- d) *Closure procedure of EUROSAI PGs.*
- e) *Draft outline of the EUROSAI Strategic Plan (2017 - 2020) Mid-term review.*

### **Item 7. Activity report of the EUROSAI IT Working Group (ITWG)**

A representative from the Supreme Audit Office of Poland (NIK), Chair of the EUROSAI IT Working Group, presented the main activities carried out by the ITWG since the last GB meeting, among others, the Active IT Audit Manual (AITAM), the Control Space of E-government (CUBE), and the Parallel audit platform which would be continued by the SAI of Poland.

*The GB took note of the report on EUROSAI ITWG's activities carried out during the reporting period and of SAI Estonia's offer to take over the chairmanship of the ITWG at the XI EUROSAI Congress 2020.*

### **Item 8. Activity report of the EUROSAI Working Group on Environmental Auditing (WGEA)**

The SAI of Estonia, Chair of the EUROSAI WGEA, gave an overview of the annual progress made by the WGEA, pointing out that the SAI of Serbia had joined it, thus becoming the 43<sup>rd</sup> member.

With regard to cooperative audits, two out of the three planned cooperative audits had been successfully completed, the one on "Energy efficiency of public sector buildings" and the one on "Air quality". The cooperative audit on "Mediterranean marine parks" was being compiled. The SAI of Estonia informed on the Massive Open Online Course (MOOC) on auditing water issues that was launched in November 2018 and completed by 185 students from 47 countries, which will run again in November 2019, being all its materials available on-line. The course had been awarded with a quality mark by the Estonian Information Technology Foundation for Education. Other activities carried out were the 16<sup>th</sup> annual meeting on "Climate Change and Impact of Environmental Audits" held in Bratislava, in September 2018, which was preceded by a Training Seminar on "Climate change: Focus on Data"; the organization of two Spring Sessions -"Environmental Governance" and "From Waste Management to Circular Economy"-; and the publication of two Newsletters in August and December

2018. The 17<sup>th</sup> annual meeting will be held at the ECA's headquarters with the central topic of biodiversity.

*The GB took note of the report on the EUROSAI WGEA's activities carried out during the reporting period and on the change of status of the EUROSAI WGEA, from member to observer, in the European Commission's Environmental Compliance and Governance Forum.*

### **Item 9. Activity report of the EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes (WGAFADC)**

The SAI of Ukraine, Chair of the EUROSAI WGAFADC, explained the activities carried out in relation to the three strategic goals identified by the WG, namely: professional cooperation, professional development, and contributing to the achievement of the SDGs. The audits carried out on "Prevention and consequences elimination of floods", "Prevention and consequences elimination of earthquakes", "Waste management and utilization", and the follow-up International audit on "Transboundary movements of wastes in the light of the Basel Convention provisions" were also mentioned. The Chair of the EUROSAI WGAFADC also highlighted the Seminars on "Practice of using the international standards of the SAIs in conducting audits in the sphere of prevention and consequences elimination of floods" and on "Transboundary movement of hazardous wastes: problem, consequences and challenges". The preparation of the draft on "Good practice recommendations of conducting audits in the field of prevention and consequences elimination of floods" and a future survey to identify possible topics for conducting audits on the implementation of the Agenda 2030 were also highlighted.

*The GB took note of the report on the EUROSAI WGAFADC's activities carried out during the reporting period.*

### **Item 10. Activity report of the EUROSAI Task Force on Audit and Ethics (TFA&E)**

The SAI of Portugal, Chair of the EUROSAI TFA&E, informed that the SAIs of Austria and Bulgaria had joined the TFA&E as members, and highlighted that in 2019 the EUROSAI TFA&E had been awarded the I prize of "Integrity in the Public Sector" by the Spanish University of *Castilla-La Mancha* and the World Compliance Association, a significant recognition of the work done by the TFA&E and by its members in promoting an ethical culture in the public sector.

Activities carried out by the TFA&E were underlined, such as the dissemination of products, the participation in conferences and other events, the publication of several articles in specialized publications, and coaching SAIs as needed. Activities underway included supporting the implementation of ISSAI 30; a project related to SAI's ethics self-assessment; and the project on encouraging the SAI's role in promoting integrity in the public sector. The main tasks to be completed before the 2020 EUROSAI Congress are the ethics training model and e-course; supporting the implementation of ISSAI 30 and completing the related guidance; the roll out of the IntoSAINT self-assessments; and the assessment on the state of the art on Integrity in European SAIs.

Although the SAI of Portugal had announced that its chairmanship of the Task Force would not be continued beyond 2020, no expression of interest had been so far conveyed by any SAI.

*The GB took note of the report on the EUROSAI TFA&E's activities carried out during the reporting period and the lack, so far, of a candidate to take over the chairmanship of this Task Force as from the 2020 EUROSAI Congress.*

### **Item 11. Activity report of the EUROSAI Task Force on Municipality Audit (TFMA)**

The SAI of Lithuania, Chair of the EUROSAI TFMA, reported on the main results of the TFMA, such as the publications of the “Overview of external audit systems in local government”, the first annual newsletter or the “Overview of methodologies used in local government auditing”; the creation of the EUROSAI TFMA LinkedIn and Facebook profiles; and the new initiative of publishing the EUROSAI “TFMA Audit Compendium” on the topic of “Municipality- owned companies”.

*The GB took note of the report on the EUROSAI TFMA’s activities carried out during the reporting period.*

### **Item 12. Presentation of the 2018 EUROSAI financial information**

The Secretary General made a brief presentation of the 2018 financial statements, which showed a positive result of 44,515 euros and a cumulative surplus of 364,335 euros. The auditors' report showed an unqualified opinion of the 2018 financial statements.

*The GB took note of the information provided by the Secretary General regarding the 2018 financial report and the auditors' report.*

### **Item 13. Discussion on financial issues: available funds, allocation of resources, auditors’ recommendations and guidelines for drafting the EUROSAI budget for the period 2021 - 2023**

SAI Poland and SAI Portugal explained their financial requests from the EUROSAI budget. The Secretariat presented a discussion paper on financial issues, in order to address the auditors’ recommendations regarding the surplus that EUROSAI has accumulated in the Welfare Fund and the publishing of the audited financial statements of EUROSAI on the organization’s website.

*The GB agreed on the allocation of 20,000 euros from the EUROSAI budget 2017 - 2020, to co-finance staff secondments until June 2020 and took note that the EUROSAI Secondment Programme shall undergo a revision after one year of its implementation.*

*The GB agreed to grant EUROSAI funding to financial requests for phase 1 and 3 of the EUROSAI roll out of “IntoSAINT”, for a maximum amount of 10,200 euros. The GB decided that phase 2 of the roll out of the Integrity self-assessment tool “IntoSAINT” would follow a “case by case” approach and under SAI’s request. The criteria for funding these requests were also agreed by the GB:*

- a) *The financing of the amount requested for carrying out of the training and knowledge exchange activities (phases 1 and 3 of the proposal), which benefit multiple member SAIs. In this regard, the costs deriving from the rental of meeting facilities and the travel and accommodation expenses of the EUROSAI experts coordinating the activities foreseen in phases 1 and 3 could be funded through the EUROSAI budget: a maximum amount of 6,050 euros -from chapter 2 of the EUROSAI Budget 2019- would be devoted to phase 1 and up to 4,150 euros -from chapter 2 of the EUROSAI Budget 2020- would be used to cover the costs derived from phase 3.*

*In line with EUROSAI’s inclusiveness principle and in order to reduce the effort demanded from the project leader and, at the same time, contribute to build up other experts’ expertise in view of future roll outs of this tool, it was deemed advisable that all the available experts included in the annex of the request should be invited to provide their expertise. Also to this end, SAIs having experts trained in phases 1 and 3 could commit to make their expertise available in future training and implementation activities of the IntoSAINT tool within EUROSAI. Justification of the financial subsidy would follow rules 50 and 51 of the EUROSAI Financial Rules (EFR) and,*

*in this regard, following the conclusion of the activities contained in phases 1 and 3 of the roll out of the IntoSAINT, the host SAI of the respective meetings should send to the EUROSAI Secretariat an official letter informing about the final costs incurred, including also the respective invoices. The EUROSAI Secretariat would review the information provided in order to check compliance with the regulation contained in the EFR for the granting of subsidies and the financing limit set by the GB at its 50<sup>th</sup> meeting.*

- b) *Concerning the financing of phase 2 of the project -self-assessments per country, 2019 and 2020-, as explained in the request, the activity would be facilitated by a newly trained moderator under the supervision of an expert moderator, being the SAI sending a newly trained moderator who would cover those expenses and the SAI implementing the self-assessment who would provide the venue for its own self-assessment and incur all the related expenses. In line with the INTOSAINT 2017 - 2019 Global Strategy, in principle the expenses of the expert moderators should be covered by the SAI implementing the IntoSAINT, or, alternatively, with external funding sought by the CBC IntoSAINT Project Group. In the event that the SAI implementing the self-assessment was unable to bear the cost of the expert moderator and no external funding from donors was available, the EUROSAI GB decided that it would apply a case by case approach regarding its financing; in that case, that SAI should send a financial request explaining those circumstances and the GB would analyse the convenience and suitability of providing such a financial support.*

*The GB agreed to publish the summary of the EUROSAI financial statements and the Auditors' Reports in the open area of the EUROSAI website, and the full document of the EUROSAI financial statements would be also published in a restricted area of the EUROSAI website. The Secretariat requested GB members' suggestions regarding the cumulative surplus in the Welfare Fund, so that the Secretariat could take them into account for the drafting of the EUROSAI budget 2021 - 2023.*

#### **Item 14. Preparations of the XI EUROSAI Congress (2020) & next GB meeting**

The SAI of the Czech Republic informed on the organization of the XI EUROSAI Congress, to be held in Prague on 1 - 4 June 2020, and named "3C-3E-3I" (3C stands for communication, cooperation and comparison; 3E means effectiveness, efficiency and economy; and 3I implies information, innovation and interactivity). The celebration of the 30<sup>th</sup> anniversary of EUROSAI will be part of the XI EUROSAI Congress. All the information on the Congress is available at its website ([www.eurosai2020.cz](http://www.eurosai2020.cz)).

*The GB adopted the Procedure Standards of the XI EUROSAI Congress and approved its list of observers.*

*The GB approved the date and venue for the 51<sup>st</sup> EUROSAI GB meeting, to be held in Prague on the 1<sup>st</sup> of June 2020.*

#### **Item 15. Discussion on the decisions to be taken at the XI EUROSAI Congress (2020), including the criteria and procedure for the selection of candidates for the EUROSAI GB**

The Secretary General informed on the decisions to be taken at the XI EUROSAI Congress (2020), namely: the candidate for hosting the XII EUROSAI Congress (2023), the two positions as GB members (2020 - 2026), and the two positions for EUROSAI auditors (2020 - 2022). In order to substantiate the proposals of the GB to the Congress and ensure compliance with EUROSAI regulations, principles and values, the Secretariat, in coordination with the Presidency, had prepared and distributed a document on the possible criteria and procedures that could be used for each type of vacancy.

*The GB agreed on the Secretary General's proposal regarding the procedure to be followed for the*

*election of the candidates for EUROSAI auditors for the period 2020 - 2022; i.e., exploring the willingness of the auditors to run for another term (provided that they have not already covered three consecutive mandates) and, if that is not the case, search for other candidates.*

*Regarding the election process of EUROSAI GB members for the period 2020 - 2026, the GB agreed on the criteria proposed by the Secretariat for the assessments of candidacies and on submitting all the GB membership candidacies received to the Congress, together with an assessment of the extent to which each candidate meets the requirements and criteria.*

*Regarding the election process of the EUROSAI Presidency for the period 2023 - 2026, the GB agreed on the criteria proposed by the Secretariat for the assessment of candidacies. The GB agreed that they would submit to the Congress all the EUROSAI Presidency candidacies received and an assessment of the extent to which each candidate met the requirements and criteria and the bid books presented.*

*The GB supported the Secretariat's offer to draft protocols for these selection processes, which would be submitted to the GB's approval by written procedure.*

#### **Item 16. Information on INTOSAI**

The INTOSAI General Secretariat explained some initiatives related to independence of SAIs; the relaunch of the INTOSAI website; the first INTOSAI Performance and Accountability Report (PAR 2017 - 2018); or the implementation of the SDG approaches defined by the INTOSAI Strategic Plan, pointing out that it was time to move from preparedness to implementation and that guidelines and tools aimed at supporting SDG audits were being developed.

*The GB took note of the information provided by the representative of the INTOSAI Secretariat.*

#### **Item 17. Information on the next INCOSAI (2019)**

The SAI of the Russian Federation reported on the preparation of the XXIII INCOSAI, to be held on 25-28 September 2019 in Moscow. The official website had already been launched -[www.incosai2019.ru](http://www.incosai2019.ru)- and open booths would be installed during the Congress. The conclusions of the discussions on theme I and II would be included in the Moscow Declaration.

*The GB took note of the information provided by the SAI of the Russian Federation on the preparation of the XXIII INCOSAI, to be held on 25 - 28 September 2019.*

#### **Item 18. EUROSAI booth at the next INCOSAI**

The EUROSAI President explained that EUROSAI would have a booth in the exhibition space area at the XXIII INCOSAI and he invited all EUROSAI GB members, together with the Chairs of the WG and TF, and the leaders of activities and projects, to think about initiatives and contributions to this EUROSAI booth, contacting the EUROSAI Presidency and Secretariat to that end.

*The GB took note of the information provided by the SAI of Turkey on the EUROSAI booth at the next INCOSAI, and of his invitation to contribute to the same.*

### **Item 19. Information on key issues discussed at the INTOSAI GB**

The representatives of EUROSAI in the INTOSAI GB (the SAIs of Poland and Portugal) presented the information about the 71<sup>st</sup> meeting of the INTOSAI GB, including the approval of a draft concept exercise for a Technical Support Function (TSF) of the Forum for INTOSAI Professional Pronouncements (FIPP); the creation of a section for the work of SAIs with jurisdictional responsibilities in the INTOSAI competency framework for public sector audit professionals; the creation of a *Task Force on the Impact of Science and Technology on Auditing*; the importance of SDGs; and the amendment in the standards' approval procedure, which would enable the INTOSAI GB to approve the standards and their updates without INCOSAI approval. During that meeting, EUROSAI representatives had stressed the need for INTOSAI's stronger commitment to communicate regularly on the developments in professional standards and on the clarification of the transition period.

*The GB took note of the information provided by the EUROSAI representatives within the INTOSAI GB on the main issues discussed during the 71<sup>st</sup> meeting of the INTOSAI GB.*

### **Item 20. EUROSAI candidates for the INTOSAI GB<sup>1</sup>**

Mr. Baş explained that five candidacies had been received to join the INTOSAI GB on behalf of EUROSAI for the period 2019 - 2025. Since the number of candidacies surpassed the number of positions to be covered (two), an election was held by secret ballot, taking into account the two models of public auditing system (Jurisdictional Court model and Office model), in order to apply the criteria determined by INTOSAI and reflect EUROSAI's different SAI's models in a balanced way. The voting resulted in the election of the SAI of Poland (Office model) and the SAI of Portugal (Jurisdictional Court model).

*The GB agreed to propose the SAIs of Poland and Portugal for joining the INTOSAI GB in representation of EUROSAI during the period 2019 - 2025.*

### **Item 21. Discussion on cooperation with IDI**

IDI gave a presentation focused in three areas: IDI's strategic shifts, the cooperation with EUROSAI in 2018 - 2019, and IDI's future cooperation. The IDI Strategic Plan 2019 - 2023 introduced a strategic shift from traditional programmes to continuous and regular work streams, and a better integration of gender perspective throughout the Strategic Plan. As for the current cooperation with EUROSAI, the use of the LMS platform, the Blackboard tool, the INTOSAI Region Coordination Platform or IDI Global Public Goods (GPGs) were highlighted. As for future cooperation, initiatives such as another Green Hat event; the IDI SDG Audit Model; SAI Young Leaders programme; the Professional Education for SAI Auditors; the SAI Strategy, Performance, Measurement and Reporting (SPMR) programme were highlighted.

*The GB took note of the information provided by IDI on IDI's strategic shifts, the cooperation with EUROSAI in 2018 - 2019, and IDI's future cooperation.*

### **Item 22. Review of adherence to the Key Principles and Good Practices for Governing as a Team**

The Secretariat carried out an exercise with an electronic tool that enabled all GB members to review

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<sup>1</sup> Item 20 of the agenda was the first item discussed on the 13<sup>th</sup> of June, before item 13.

the adherence of the EUROSAI GB to the key principles and good practices summarized in the document “Governing as a team: key principles and good practices”. The answers showed that participants were fairly satisfied with the preparation and development of the 50<sup>th</sup> EUROSAI GB meeting. However, there was still room to improve when putting into practice KOINONIA principles and when dealing with controversial issues, both when it comes to the need for those issues being more clearly explained and communicated, and for being constructive and flexible. Suggestions to improve the preparation of meetings revealed the need for allocating more time for discussions, expressing clear positions, distributing the comments well beforehand, clarifying controversial issues in advance -with a stronger role of Presidency-, and more consultations/better preparation on issues where there is no agreement. Proposals to enhance the meetings showed the need to listen to others’ views, adopting more flexible and clear positions and using a more clear formulation of the decisions taken. On the other hand, they praised Latvian organization of the meeting, the use of technical breaks to clarify positions and to resolve deadlocks, and the Secretariat’s initiative of asking for feedback about the organization of the meeting.

### Item 23. Any other business (AOB) and closing of the meeting

No other issues or remarks were raised and the 50<sup>th</sup> GB meeting was closed by the Chair.