

SUMMARY OF THE MAIN DISCUSSIONS AND AGREEMENTS (SoA)

51st EUROSAI GOVERNING BOARD MEETING

E-Meeting, 3 June 2020

The 51st meeting of the EUROSAI Governing Board (GB) was virtually held on the 3rd of June 2020. The meeting was chaired by Mr. Seyit Ahmet Baş, President of the Turkish Court of Accounts (TCA) and President of EUROSAI, with the attendance of just the GB members since it was focused on those decisions needed so that EUROSAI remains operational in this interim period of time between the planned date of the XI Congress (31 May - 4 June 2020) and the new date of the XI Congress (30 May - 3 June 2021).

Items 1 and 2. Agenda of the 51st GB meeting and minutes of the 50th GB meeting

The agenda of the 51st GB meeting and the minutes of the 50th GB meeting were approved.

Item 3. Background information on the state of affairs

The EUROSAI Presidency summarized how the pandemic crisis led to the postponement of the XI Congress, explaining the steps that had been taken and the consequences of this decision. In this regard, following the proposal of new dates by the SAI of Czech Republic, host of the Congress, and the consultation process that ensued (within the Governing Board and then with all EUROSAI members), the XI EUROSAI Congress had been postponed until 30 May - 3 June 2021. The postponement of the XI Congress had an impact on many spheres of the EUROSAI activity, as it implied keeping the current EUROSAI *status quo* for an additional year. The EUROSAI members had endorsed the extension of the term of office of the current Governing Board members and entrusted them with the decision-making necessary for the normal functioning of EUROSAI that cannot be delayed until the XI Congress.

The GB took note of the information provided by the Presidency.

Item 4. Decisions under the Congress' competence entrusted to the GB

The Secretary General of EUROSAI informed members that item 4 included decisions for which the Congress is the competent body but that, following EUROSAI members' consent, will be exceptionally addressed by the GB. She also highlighted that when preparing these decisions, the Secretariat had guided the proposals by the principle that the GB had been entrusted by the EUROSAI members to make *exclusively those decisions needed to function until the next Congress*, so the decisions made by the GB cannot extend their effects beyond that date.

4.1. Approval of the extension of the tenure of auditors of EUROSAI (Croatia & Bulgaria) for auditing EUROSAI 2020 Financial Statements

The Secretary General explained that the tenure of the SAIs of Bulgaria and Croatia as current external auditors of EUROSAI was meant to conclude with the audit of the 2019 financial statements. Given that the new auditors would not be appointed by the Congress until June 2021, and by then the 2020 financial statements needed to be audited, the Secretariat proposed to extend the current auditors' term of office until the XI Congress, having already confirmed their availability in this regard.

The GB adopted the formal decision to extend the current auditors' term of office until the XI Congress.

4.2. Approval of the extension and funding of the EUROSAI Budget (year 2021)

The Secretary General informed that the current EUROSAI budget covered the period until the end of 2020, so a one-year extension of the current budget 2018-2020 was needed in order to have budgetary

allocations for 2021. She also recalled the issue already raised by the Secretariat during the 50th GB meeting of the growing amount of cumulative surplus in EUROSAI and the auditors' recommendation to the GB to decide how to tackle this issue. She proposed to finance the 2021 income budget with the accumulated funds available in the Welfare Fund, instead of through members' financial contributions.

The GB approved to extend the budget 2018-2020 for an additional year (2021), which implies that the group fees of EUROSAI members would not be revised nor modified.

The GB approved that, exceptionally, the 2021 EUROSAI budget will be financed with the available funds accumulated in the Welfare Fund instead of through members' financial contributions.

4.3. Decisions regarding the Working Groups (WGs) and Task Forces (TFs)

The Secretary General presented several issues regarding the mandates, chairmanships and strategic plans of the WGs and TFs, which would have normally been submitted to the Congress. In the case of the Working Group on Information Technologies (ITWG, currently chaired by the SAI of Poland) and of the Working Group on Environmental Auditing (WGEA, currently chaired by SAI Estonia), their Chairs had expressed that they would like the switch over of chairmanship to take place in June 2020, so that from the second half of 2020 the new chairs would be able to start actual work. Regarding the Strategic Plans and except for WGEA, the other WGs and TFs were in the process of determining whether they needed to update them.

Regarding the WGEA and ITWG, the GB approved:

- *The change in the Chairmanship of the WGEA and ITWG: SAI Poland would chair WGEA with effects as from June 3, 2020 and SAI Estonia would chair ITWG as from June 30, 2020. Following usual practice, the draft resolution to be submitted by these WGs to the XI Congress in 2021 will include the re-appointment of these SAIs as Chairs.*
- *The extension of the mandates of the WGEA and ITWG until the XI Congress (where their extension until 2024 will be included in the draft resolution to be submitted to the Congress for approval).*
- *Transitorily, the Strategic Plan of the WGEA for the period 2020-2024, so that it can guide the WGs' work during the coming months, and until the next Congress. The Strategic Plan of ITWG will be submitted for the approval of the GB at a later stage. In both cases, the approval by the GB of these documents will be submitted to the XI Congress for endorsement, for the GB not to take any decisions that extend beyond the XI Congress.*

Regarding the Working Group on the Audit of Funds Allocated to Disasters and Catastrophes, the Task Force Audit & Ethics and the Task Force on Municipality Audit, the GB approved:

- *The extension of their current respective Chairmanships until the XI Congress.*
- *The extension of the WG's and TF's mandates until the XI Congress.*

Item 5. Impact of the postponement of the Congress on the implementation and review of the current EUROSAI Strategic Plan

5.1. & 5.2 Drafting of the mid-term review report & the update of the OP and the work plans of the Working Groups (WGs) and Task Forces (TFs)

The President explained that the postponement of the Congress implied that the first part of the ESP implementation period was now four years (2017-2021), instead of three, together with the impact of this on the monitoring procedure through the annual progress reports, the mid-term review report and the 3 years progress report.

He first proposed, if GB adopts, to present 3 years progress reports at the upcoming GB stating that he did not personally prefer to put an extra burden on portfolio holders by requesting them to draft an additional and separate annual progress report for 2020¹. Then, he made his second proposal, which he also supported, about postponing the mid-term review report and progress report and drafting them on a 4-year basis at the upcoming Congress in 2021.

The Secretary General enquired how the reporting to the GB would be done by the portfolio holders, WG and TF and observers, informing the GB that some had already contacted the Secretariat in this regard.

The GB adopted the formal decision to postpone the submission of the mid-term review report and progress report planned for this year and, instead, perform the related reporting requirement on a 4-year basis at the upcoming XI Congress in 2021.

The GB took note that the reporting of portfolios and WGs/TFs will be done on a 4-year basis, to the GB immediately before the Congress and the Congress itself. For accountability and effectiveness reasons, reporting regarding their activities during the period June 2019-November 2020 would be done exclusively in written form, not by presentations at the GB. In any case, chairs of WGs and TFs would be invited to participate in the next GB meeting.

The GB took note that the Chair of the CT will coordinate the update of the OP and the Work Plans of the WGs and TFs, which will be presented to the GB at its next meeting.

5.3. Extension of the Term of the Coordination Team (CT) until the XI Congress

The President briefly explained that given the extension of the mandates of the three members that form the CT - Presidency (Chair of the CT) and the GB members (co-leaders) responsible for the SGs -, consequently the term of office of the CT will be automatically extended.

The GB took note of the extension of the term of the current CT members until the XI Congress.

Item 6. Approval of the extension of the tenure of the non-GB co-leaders of SG1 & SG2 (SAIs of Germany and Sweden) until the next XI Congress

The EUROSAI Presidency explained that, following the procedure established in the General Procedures, the tenure of the current co-leaders (SAI of Germany & SAI of Sweden) was meant to conclude with the Congress planned for June 2020, but they had both confirmed their availability to extend their current 3-year tenure for an additional year.

The GB extended the term of office of the non-GB co-leaders of SG1 & SG2 (SAIs of Germany and Sweden) until the XI Congress.

Item 7. Work plans of the GB and its members until the XI Congress

7.1. Portfolio on overall governance and culture: functioning and role of the GB during the period affected by the Covid-19 situation; how to ensure an effective governing of EUROSAI

The EUROSAI President, holder of this portfolio, highlighted that, since it will not be possible for a considerable period to have in-person meetings, digital solutions such as e-meetings would be used. In this regard he thanked the Secretariat for the launch of the virtual videoconferencing tool for EUROSAI

¹ Mr. Baş also noted that CT had already started to work on these reports just before the pandemic crisis made a peak and if preferred, CT may continue to work and finalize mid-term review and progress reports for 3 years since the postponement of the Congress never implies the postponement of the reporting responsibility stemming from the principle of accountability.

activities (Blackboard Collaborate) and to the SAI of Finland for the establishment of the PG on Auditing the response to the Covid-19 pandemic. Regarding their work plans, he announced they would revise the “Key Principles and Good Practices” document with respect to the principles of virtual meetings and update it, if necessary; extend the use of the EUROSAI OP website and Twitter for a better reaching to all members; and resend the “Forward Looking” part of the *Survey on ESP 2017-2023 implementation and update proposals* launched in February 2020. In this area, he mentioned that they were open to collaborate with the Finnish colleagues since they may have some contributions or different perspectives in terms of the questions.

The GB took note of the information provided by the EUROSAI President regarding the work plan of the portfolio on overall governance and culture.

7.2. SG1 portfolio

The SAI of the Czech Republic, as co-leader of the SG1, briefly informed about the activities and current projects of the SG1, co-led with the SAI of Germany. They expressed their satisfaction with the new contribution to the SG1 activities that the new PG on Auditing the response to the Covid-19 pandemic will undoubtedly make, and highlighted the evolution of the audits database, in continuous growth, being the SAI of UK the latest contributor.

The SAI of Finland took the floor to inform about the organization of the next 5th YES Congress they will host in 2021 (save the date and invitation to be sent in autumn).

The GB took note of the information provided by the SAI of the Czech Republic on SG1’s activities, as well as that provided by the SAI of Finland on the next 5th YES Congress.

7.3. SG2 portfolio

The SAI of Poland informed that the ToR of the Secondments Programme had to be amended, since the start of the Programme had been postponed due to the Covid-19 pandemic. Information on the Task-force on INTOSAI Auditor Professionalization’s invitation to nominate an official representative from EUROSAI for its activities during 2020 to 2022 was also shared, together with the intention to organise both, a Coordination Team meeting before the XI Congress, if necessary, and another audit methodology meeting, maybe for the following year.

The GB took note of the information provided related to SG2’s activities and approved the update of the ToR of the Secondments Programme.

7.4. Portfolio on emerging issues and forward thinking

The SAI of Finland presented the key activities of the recently launched *PG on Auditing the response to the Covid-19 pandemic*, the current major “emerged issue” to be faced by SAIs, and informed about a new initiative to be launched, the *PG on sustainability in long-term planning and public finances*, another relevant issue to tackle.

The GB took note of the information provided related to the initiatives of the Portfolio on “Emerging issues and forward thinking”.

7.5. Portfolio on relations with non-SAI stakeholders

The SAI of the Netherlands, holder of this portfolio, briefly informed on how this portfolio would contribute to the PG on Auditing the response to the Covid-19 pandemic to ensure engagement with relevant other parties, coordinating to that end with SAI UK and SAI Finland.

The GB took note of the information provided related to the Portfolio on “Relations with non-SAI stakeholders”.

7.6. Portfolio on relations with other INTOSAI Regional Organisations

The Secretariat, holder of this portfolio, explained that, as focal point of communication with INTOSAI and its Regions, it had been ensuring good coordination among initiatives on Covid-19 issues, informing the EUROSAI PG on Covid-19 about the expert group on Covid-19 set up by the INTOSAI Supervisory Committee on Emerging Issues (SCEI) and also about ARABOSAI's planned webinar on Covid-19, on June 22.

In addition, the Secretariat informed about the impact of the pandemic on the organization of the IX EUROSAI-OLACEFS Joint Conference on "Increasing the impact of SAI's work", to be held on 9-11 September 2020, which would be carried forward by the host (the SAI of Hungary) on the same dates, but as an online event. She highlighted that the main topic of the event will be approached from the perspective of the most topical issues, including the Covid-19 pandemic, and that, in principle, the event would be held in English, though offering interpretation was also being explored. Additionally, the SAI of Hungary had offered that, if feasible, a one-day event for Heads of SAIs could be held in the beginning of 2021, for strategic debate and consultation on the results of the Conference virtually held next September.

The GB took note of the recent developments of the Portfolio on "Relations with other INTOSAI Regional Organizations" and supported the host's proposal for carrying forward the IX EUROSAI-OLACEFS Joint Conference as an on-line event, taking note of the arrangements and plans being made in that regard.

7.7. Portfolio on communication

The EUROSAI President summarized the current situation of this portfolio (on stand-by until a new portfolio holder was identified) and invited the GB to reflect on how to limit the impact of the Covid-19 situation on this portfolio, since the additional year until the Congress would represent a delay in the takeover of this portfolio by another GB member.

The SAI of Latvia indicated that they are continuously monitoring the area of strategic communication for international organizations; their observations show that the proposal developed by the SAI of Latvia to their mind is still the most suitable for EUROSAI, therefore did not have new proposals in this regard, as was the case of the other GB members.

The Secretary General noted that it would be good to be able to present some result in the communication field to the next Congress, so she suggested drafting a new version of the Communication Framework, which would be of a general nature and would exclude the part of the distribution of responsibilities (this would be developed jointly with the new portfolio holder at a later stage, and included in a separate document like INTOSAI does). She offered to prepare it, inviting the Presidency, the SAI Latvia or any another GB member willing to get involved in this task to join it. The draft would be prepared using the one prepared by SAI Latvia, following their Council's offer in this regard.

The GB approved the offer of the EUROSAI Secretariat to draft a Communication Framework, which would be a general document just like in INTOSAI, would not include the distribution of responsibilities and would be drafted using as baseline the draft prepared by SAI Latvia. This draft would be presented to the GB and submitted for its approval at the XI Congress. Any GB member willing to take part in this initiative would be most welcome.

7.8. Discussion on possible other initiatives of GB members

The EUROSAI President invited GB members, in particular those which are currently not holding a portfolio, to reflect on possible short time projects they might want to be involved in the coming months, either by launching them or co-leading them, or other ways of participation to contribute to EUROSAI's activity and impact.

The SAI of Moldavia announced their interest in joining the activities of the SG2 and participate in the project: “Establish links and initiatives with INTOSAI Subcommittee on peer reviews”. SAI Latvia indicated that they would be interested in addressing Covid-19 related issues in the work of SAIs and EUROSAI and would consider offering their contribution in this regard, if appropriate.

The GB took note of the information provided by the SAIs of Moldova and Latvia.

Item 8. Impact of the postponement of the Congress on the procedures regarding the presentation and assessment of candidacies for Presidency, GB Member and Auditors

The Secretary General explained that the postponement of the Congress implied having to set back the deadlines foreseen in the protocols approved by the GB on March 9, 2020, which regulate the submission of candidacies to the Presidency, GB and for the position of external auditor of EUROSAI.

The GB decided to inform EUROSAI members that, in line with the protocol approved by the GB (March 9, 2020), the postponement of the Congress implies that the deadline for candidacies to the Presidency is moved forward till 3 months in advance of the new date of the Congress (i.e. 1 March 2021) and, therefore, new candidacies will be accepted until that time and candidacies already submitted will be considered valid unless the candidate formally withdraws it (i.e. there is no need for candidates to present their candidacy again, but at the same time they should be made aware of the possibility to withdraw their candidacies, if needed, as their SAI’s circumstances might have changed in a year’s time).

The GB decided to inform EUROSAI members that, in line with the protocol approved by the GB (March 9, 2020), the postponement of the Congress implies that the deadline for candidacies to the Governing Board is moved forward till 2 months in advance of the new date of the Congress (i.e. 30 March 2021) and, therefore new candidacies will be accepted until that time, and candidacies already submitted will be considered valid unless the candidate formally withdraws it (i.e. there is no need for candidates to present their candidacy again, but at the same time they should be made aware of the possibility to withdraw their candidacies, if needed, as their SAI’s circumstances might have changed in a year’s time).

The GB decided that EUROSAI members would be informed about the possibility of presenting candidacies for the position of external auditor, indicating that these candidacies will be taken into consideration only in the case that the current auditors cannot continue performing this task regarding the financial statements of the period 2021-2023. In line with the above-mentioned applicable protocols approved by the GB (March 9, 2020), the deadline for submitting candidacies to the position of external auditor of EUROSAI will be moved forward till 2 months in advance of the new date of the Congress (i.e. 30 March 2021).

Item 9.- Impact of the Covid-19 on the planned initiatives to commemorate the 30th anniversary of EUROSAI

The SAI of the Czech Republic explained the initiatives planned to celebrate the 30th anniversary of EUROSAI at the Congress next year, that is, the publication of a special publication on the anniversary (a hardback edition) and the preparation of a small campaign before the exact day of the anniversary.

The Secretary General recalled that the Secretariat had launched for this occasion a commemorative logo at the beginning of the year. She proposed that, in order not to duplicate requests for contributions from members, the special publication proposed by the SAI of the Czech Republic would substitute the annual issue of the EUROSAI Magazine in 2020.

The GB took note of the information provided and supported the initiatives planned, such as the preparation of a small campaign for the celebration of the 30th anniversary before its exact day (12 November 2020). It approved the plans proposed for the commemorative publication, including the hiring of an editor and the suspension of the annual issue of the Magazine for the year 2020.

10.- Next GB meeting

The President of EUROSAI opened the floor to discuss the convenience of holding a GB in the autumn and submitted the proposal to hold a short meeting, mainly for administrative issues.

The GB decided to hold the next GB meeting in autumn, with attendance of observers and guests, as usual.

11.- AOB

The Secretary General put forward the idea to celebrate the 30th anniversary of the Organisation during the EUROSAI-OLACEFS Join Conference, in September 2020, a suggestion welcomed by the GB.

No other issues or remarks were raised and the 51st GB e-meeting was closed by the Chair.