



REPORT TO THE EUROSAI GOVERNING BOARD

Reporting Period: 2012-2013

I. Executive Summary

EUROSAI Strategic Goal 3: Knowledge Sharing

The work of the TFA&E combines the main EUROSAI goal and activities of sharing knowledge, information and experiences with the objective of strengthening relationships with other organisations of audit professionals.

The TFA&E started its activities with 11 members (The SAls of **Portugal** (chair), **Croatia**, **Cyprus**, **European Court of Auditors**, former Yugoslavian **Republic of Macedonia**, **France**, **Iceland**, **the Netherlands**, **Romania**, **Slovenia** and **Spain**) and comprises, at the present moment, 15 members, as the SAls of **Hungary**, **Italy**, **Malta** and **Serbia** decided to join the group during this first year of operation.

The TFA&E is willing to welcome other EUROSAI Members that may be interested in its work.

Main results achieved

During this period, the TFA&E:

- Approved the goals and activities for its work during 2012-2014, allocating specific tasks to the several members of the Task Force (Working Plan for 2012-2014)
- Designed and implemented a webpage for the Task Force, including a restricted area for Members
- Prepared and launched a survey on Audit & Ethics to all EUROSAI members. 32 SAls answered this survey
- Analysed the replies to this survey and approved a general report on its results, which is available through the EUROSAI and the Task Force websites
- Produced the paper *“Supporting SAI to Enhance their Ethical Infrastructure – Part 1 - A general overview of SAls ethical strategies and practices”*



II. Overall status of activities and projects planned

Goal 1 of the TFA&E: *Contribute to raise public confidence in SAIs by supporting the implementation of ISSAI 30 (Code of Ethics)*

In its first meeting, the TFA&E approved a working plan, including a 1st goal targeted at supporting the European SAIs in implementing the INTOSAI Code of Ethics.

Within this goal, the following tasks should be ready by May 2013:

Objective	Activity/project	Expected result
1.1. Identify SAIs' ethical framework and practices	1.1.1. Collect, organise and analyse information from SAIs of EUROSAI and other regions about ethical: <ul style="list-style-type: none"> – Codes and regulations – Human Resources' policies – Committees – Practical dilemmas – Guidance – Management and operational tools – Assessment tools 	<i>Papers identifying experiences, good practices and concrete examples</i>
1.2. Raise awareness on ethical issues through training	1.2.1. Identify good practices in training	<i>List of good practices in ethics training</i>

In order to accomplish these tasks and their expected results, The TFA&E prepared and launched a survey on Audit & Ethics to all EUROSAI members.

This survey covered all the above mentioned issues, asking SAIs about their practices in ethics' guidance, management and control, including training on ethical issues.

By mid February 2013, 32 EUROSAI members had replied to the survey, identifying their ethical frameworks, documents and practices.



The TFA&E has produced the first analysis of the results of the survey and approved the following documents to be disseminated to EUROSAI members:

- General report on the results of the survey, to be available in the EUROSAI Website
- Paper *“Supporting SAIs to Enhance their Ethical Infrastructure – Part 1 - A general overview of SAIs ethical strategies and practices”*, reflecting on these results against the ISSAI requirements and the necessary components of an ethical infrastructure, according with the OECD description.

These documents are available through the EUROSAI and the Task Force websites.

Having considered that the information already collected includes a rich array of experiences and practices, as well as relevant documents, the TFA&E agreed, in its second meeting, to study and explore them in more detail. It also agreed that this study and the further exploration of relevant issues should be complemented with new information gathered from other INTOSAI Regions aiming at identifying concrete experiences to be further compared and explained. The results will be delivered in a stage-based approach and organised around the main themes of ethical requirements and of the ethical infrastructure identified by the TFA&E, thus preparing a series of ethics related papers for the next period.

The TFA&E also prepared and launched a webpage (<http://www.eurosai-tfae.tcontas.pt>), which includes the TFA&E working plan 2012-2014, the documents produced for the meetings, the survey launched together with its results, and some other relevant information. The survey was available through this webpage and the site is meant as a means to disseminate the information collected and produced on this theme. It is also used as a tool for the work of the TF members through its Members' Section, only available for members and where the working documents are included.

The remaining activities of this goal are in progress according to schedule and their results are expected later:

- Define model courses on ethics
- Make proposals on how to deliver ethics related training to EUROSAI members
- Organise and include information in the EUROSAI Task Force Webpage



- Organise a seminar to share experiences and information

Goal 2 of the TFA&E: *Promote ethical conduct in public organisations through the SAI's activities*

The second goal of the TFA&E working plan is targeted at promoting ethical conduct in public organisations through the SAI's auditing activities.

The activities/projects included in this goal are:

- Identify and analyse existing experiences in auditing ethics related issues, namely audit reports, guidance and methodologies.
- Organise a seminar to discuss possible SAIs' activities in this field and to share experiences and information
- Organise and include information in the EUROSAI Task Force Webpage

The expected results of these activities are scheduled for a later stage.

But we can report that, during the current period, the TFA&E collected information about EUROSAI SAIs mandates, audit experiences and reports, guidance and methodologies, through the aforementioned survey. A preliminary analysis of this information was in fact included in the *General report on the results of the survey*, attached to this report and available through the EUROSAI and TFA&E websites.

A deeper analysis and the preparation of the seminar are in progress.

We should mention that, interacting with the activities of the TFA&E, one of its members (the SAI of Croatia) decided meanwhile to initiate an audit in its country related to the issues dealt with: *Audit of regularity and efficiency of the ethical infrastructure functioning in the government bodies*.

Cooperation

Through EUROSAI Goal Team 2, the TFA&E has informed several partners about its activities, including the Professional Standards Committee (PSC) and the



Subcommittees of INTOSAI. Since ISSAI 30 is to be reviewed soon, it was agreed to keep in touch on this matter.

During this period the TFA&E contacted the Secretariat of ASOSAI to obtain the documents of a course held in that Region of INTOSAI about "*How to integrate ethics and integrity into auditing practices of an SAI*" (Korea, October 2011).

The participants agreed to share their country papers with EUROSAI and they were sent to the TFA&E.

These papers will be considered in the analysis to be done further and the experiences will be considered for the future seminar.

The TFA&E has also kept contact with CEPAT, the Committee for Public Ethics, Integrity and Transparency of OLACEFS and intends to continue the contacts and cooperation with this Committee. There were informal proposals for areas of cooperation and for the signing of a protocol between both Committees.

Since AFROSAI-E has some experience in ethics related issues, the TFA&E also initiated contacts with this INTOSAI Region to enhance cooperation in its field of activity.

On the other hand, OECD has been developing a well-structured work on public ethics and integrity and the TFA&E is studying the interest of requesting the collaboration of this organisation for one the seminars to be held.



III. Outlook

In its first year of work, the TFA&E has prepared and launched the basis for its near future tasks, especially by means of the very comprehensive survey launched last December.

In this context, during next year it is expected to:

- Deliver papers concerning the different areas of the TF involvement:
 - Identify experiences, good practices and concrete examples related to ethics within SAIs
 - Define model courses on ethics
 - Identify SAIs auditing practices related to ethics in public organisations
- Include ethics related information in the TF webpage
- Hold a seminar, in Luxembourg (ECA), on 17-18^h September 2013, to discuss possible SAIs' activities in the field of *auditing ethics*, sharing experiences and information on this subject
- Hold another seminar focusing on *ethics within SAIs*, in Lisbon (TCP) in January 2014

Decisions required from the GB

- Approval of the two seminars to be held
- Agreement to a possible protocol with CEPAT/OLACEFS
- Later approval of possible request for funding the 2014 seminar from EUROSAI budget, in case the participation of an external expert is confirmed



IV. Cross-cutting information

Exchange of experiences

2nd meeting of the TFA&E, on 4-5 April 2013, included presentations of SAIs about performed ethics related audits

Training events

Two seminars to be held:

- One seminar about *Auditing Ethics*, in Luxembourg (ECA), on 17- 18 September 2013
- One seminar about *Ethics within SAIs*, in Lisbon (TCP), on January 2014

Surveys

A survey on *Audit & Ethics* was issued in December 2012. 32 Members of EUROSAI replied to the survey.

General report on the results of this survey is available through the EUROSAI and TFA&E website.

Funding from the EUROSAI Budget

Funding from the EUROSAI budget will eventually be requested for the seminar to be held in January 2014, in case the participation of an external expert is confirmed and involves costs.

Use of the EUROSAI website

- General information about the TFA&E was included in the EUROSAI website
- A link to the TFA&E Webpage is available in the EUROSAI website
- The general report on the survey results is posted in the TFA&E webpage and accessible through the EUROSAI website
- The meetings and seminars of the TFA&E are included in the calendar of events available in the EUROSAI website
- Further information can be included in the new EUROSAI webpage

Interaction with INTOSAI groups

- Contacts with the PSC
- Contacts with ASOSAI, OLACEF (CEPAT) and AFROSAI-E

Reinforcement of cooperation with other organisations or partners

- Possible contacts with OECD and EIPA



EUROSAI or other publications

- Article about the TFA&E published in EUROSAI Magazine n.º 18, 2012
- Notices about the TFA&E published in the EUROSAI Newsletter

Sustainability initiatives

- Intensive use of e-mail to work and exchange ideas and drafts, keeping the meetings to a minimum
- Use of the webpage of the TFA&E to launch the survey and to receive the replies
- Use of the Members' Section of the TFA&E webpage to exchange documents and drafts

Activities to be disseminated

- General report on the survey results
- Paper *“Supporting SAI to Enhance their Ethical Infrastructure – Part 1 - A general overview of SAIs ethical strategies and practices”*
- Seminars to be held

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