



*Corte dei conti*

## Roundtable 2

# The consequences of independence in terms of real “capabilities”



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## Statutory independence

- The article 100 of the Constitution...” *The Corte dei conti carries out “a priori” legality audit on Government acts and “a posteriori” audit on the State budget. It takes part, according to the law, in the audit of financial management of public funded bodies. The Corte dei conti refers to Parliament on the audit results.*
- ***The law assures the independence of the Corte dei conti and its members.***



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- The members of the Corte dei conti belong to the magistracy body and are independent and autonomous of other State powers.
- The Corte dei conti therefore, carries out its functions autonomously and independently from the Government and Parliament.



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- The autonomy and independence of the Institution is also assured through:
  - - the immovability of the magistrates (art. 107 of the Constitution),
  - - the provision of the Council of Presidency (law n. 117/1988 - self-governing body of the Institution),
  - - the appointment of the President of the Corte dei conti among the magistrates of the Corte dei conti itself (law n. 202/2000),
  - - the financial and organizational autonomy.



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- The Corte dei conti **independently** defines an audit plan approved yearly.
- The general audit plan is approved by the United Chambers for Audit activity and contains reference criteria for Central Audit Chambers as well as indications for Regional Audit Chambers.
- Each Central and Regional Audit Chambers **independently** elaborates its own audit plan.



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- The objective and subjective scope of the audit plan is generally identified on the basis of different parameters (i.e. financial relevance, considerable risks of irregularities, human and instrumental resources).
- The audit plan act includes:
  - - information relating to the entities to be audited, with possible sampling criteria;
  - - activities to be audited with its temporal references and specific goals;
  - - temporal definition of the audit activity with the establishment of a “time-schedule” aimed at fixing assessment dates/times;
  - - criteria and parameters to follow in the audit activity.



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- The Corte dei conti carries out the audit overall the public central and local sector including public-owned entities.



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- The contradictory principle is assured by:
  - - the communication of the audit plan in order to make the audited entities aware of the beginning of the audit activity, including information concerning subject, terms and procedures;
  - - continuous and constructive dialogue/comparison with persons responsible for the different bodies of the audited entities and managers of the internal control offices;
  - - forwarding of the final report and setting a deadline to present observations in the context of
  - - public debate in the formal public session of the Audit Chambers.





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- While considering the observations of the auditees, the Corte dei conti is **independent** in deciding the content of the final report to be approved with a formal deliberation.
- The Corte dei conti uses to present its work results, its reports, its activity in the institutional website as well as through press releases.



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- The Corte dei conti has an accounting autonomy: its final statement is approved by a specific internal audit committee.
- The magistracy body activity is not submitted to any audit (independence and autonomy are assured by the art.104 of the Constitution).
- The Council of Presidency (self-governing body of the Institution) carries out a monitoring activity on the magistrates performance, as well as manages the training and updating courses.



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- Financial independence
- The Ministry of Economy and Finance allocates to the Corte dei conti the financial resources and the Corte dei conti **independently** manages them for carrying out its institutional functions.



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- Recent example of complete independence:
- report to Parliament on the perspectives of the public finance after the Stability Law.
- The Corte dei conti has presented its own observations on the Budget Planning Document sent by the Italian Government to the European Commission last October 2013.



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- The Corte dei conti has carried out its own analysis on the expected effects arising from the implementation of the Government planning lines and has focused on the main macroeconomic indicators as the growth target, the level of public expenditure and revenue as well as the expectation of the GDP increase.
- All the analysis are carried out in a complete independence in order to present to the Parliament an unbiased document.



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- Thank you for your attention.

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