

Training seminar “Experience of development and possibility for Supreme Audit Institutions to implement ISSAI 5500 “Guidelines on Audit of Disaster-related Aid”



The Accounting Chamber of Ukraine together with the Turkish Court of Accounts, in the framework of the EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes (WGAFADC), organized a training seminar on “Experience of development and possibility for Supreme Audit Institutions to implement ISSAI 5500 “Guidelines on Audit of Disaster-related Aid” (20-21 October 2015, Ankara, Turkey).

Background

In accordance with the Working Group’s Strategy and Action Plan for 2015-2017, which was approved at the I EUROSAI WGAFADC Meeting by its members (5 February 2015, Luxembourg), in particular, with the Strategic Goal 1: Capacity Building – one of the WG’s planned activities is organizing and holding the events concerning examination and implementation of the International Standards of Supreme Audit Institutions (ISSAIs), particularly ISSAIs 5500 “Guidelines for auditing disaster-related aid”.

In addition, during the I Meeting of the EUROSAI WGAFADC, a special attention was given to the issues of supporting and implementing ISSAI 5500 series. The significant interest of the participants to the above mentioned topic and wish to its

further studying showed the need for organizing a training seminar in the framework of the Working Group.

After consultations with the WG's members, the Turkish Court of Accounts kindly agreed to host the event on 20-21 October 2015 in Ankara.

Objectives

The objectives of the seminar were:

- ✓ Acquaintance with content and peculiarities of 5500 series of ISSAIs "Guidelines on Audit of Disaster-related Aid";
- ✓ Acquaintance with experience and problems of methodology development in the sphere of catastrophes;
- ✓ Discussion with participants of possibilities for application of the abovementioned standards in SAIs' practice, as well as problems, which can hamper their usage;
- ✓ Sharing experience on possible ways of application/implementation of the indicated standards by SAIs;
- ✓ Sharing experience on conducting parallel/coordinated audits, including difficulties and problems, facing their coordinators and participants.

Description

18 participants from 8 SAIs attended the event (the list of participants is attached).

The Seminar was held in the format of plenary sessions and teamwork discussions (the program of the Seminar is attached).

During the first day of the Seminar, the participants were acquainted with the following reports and presentations:

- ✓ International Standards of Supreme Audit Institutions 5500-5599 "Guidelines on Audit of Disaster-related Aid";
- ✓ Determining basic terms according to ISSAI 5500-5599: disasters, classification, disaster management, disaster risks reduction;
- ✓ General description and types of audits in the sphere of prevention and elimination of consequences of disasters and catastrophes (Good practice recommendations for the audit of funds allocated to disasters and catastrophes);
- ✓ Methods and sources of data acquisition for auditing disaster-related aid.



After each presentation, the participants had a teamwork discussion. They were actively sharing their experiences on the proposed topics and discussing the possibilities for application of ISSAIs in their SAIs' practice.

The following topics were discussed in details:

- ✓ the main disasters typical for each of the countries participating in the seminar;
- ✓ possible audit scopes and objectives in this sphere in view of a SAI's mandate;
- ✓ the most appropriate methods and data sources for the SAIs participating in the seminar.

In addition, the participants were acquainted with practice on preparation of a matrix for choosing a topic of audit, defining possible questions and audit criteria for their evaluation. By the results of the practical lessons, each participating SAI developed its own matrix and selected the most relevant and important audit topic for its country.

Conclusions

Following the discussions, the participants concluded:

- ✓ the main types of disasters in their countries are – floods, earthquakes, fires, natural wastes, including hazardous wastes, droughts, weather conditions;
- ✓ SAI's mandates are largely sufficient for all types of audits (financial, compliance and performance). However, with regard to audits of disasters, the SAIs conduct mainly performance and compliance audits in this sphere;
- ✓ basic methods and sources of obtaining information are – observations, data analysis, focus group meetings, examination, study, experts evaluation, a survey of external experts, IT systems and resources, inventory, data verification and confirmation, obtaining information and data from internal auditors, including the results of their audits, evaluation of internal control,

onsite control, GIS, IDEA, the use of electronic databases and questionnaires, news etc.

Given the results of the discussions and designed matrices for selecting audit topics, the participants identified two possible topics for conducting international coordinated audits in the framework of the EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes:

- ✓ Prevention of earthquakes and measures to eliminate their consequences (Turkey and Romania);
- ✓ Flood prevention and measures to eliminate their consequences (Albania, Latvia, Moldova, Poland, Romania, Serbia and Ukraine).

Financing

The Accounting Chamber of Ukraine, as Chair of the EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes, submitted an application to the EUROSAI Secretary General and to the relevant EUROSAI Goal Teams in order to obtain co-financing from the EUROSAI Budget intended for the SAI hosting the mentioned training event.

The EUROSAI Governing Board approved by written procedure the granting of a subsidy to the host SAI, for a total of 6,000 euros (40 percents of the total expenses for the event). The mentioned subsidy was intended to cover the costs related to the conference room, technical equipment and interpretation services.