

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

### **49th EUROSAI GOVERNING BOARD MEETING**

#### **Gdańsk (Poland), 14-15 March 2018**

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The 49<sup>th</sup> meeting of the EUROSAI Governing Board (GB) took place in Gdańsk, Poland, on the 14<sup>th</sup>-15<sup>th</sup> of March 2018. The meeting was chaired by Mr. Seyit Ahmet Baş, President of the Turkish Court of Accounts (TCA), and hosted by the Supreme Audit Office of Poland (NIK). This document summarizes the main discussions and agreements:

#### **Item 1 and 2. Agenda of the meeting and minutes of previous GB meetings**

The agenda of the 49<sup>th</sup> GB meeting and the minutes of the 47<sup>th</sup> and 48<sup>th</sup> GB meetings were unanimously approved.

#### **Item 3. EUROSAI Activity Report 2017-2018**

The Secretary General reported on the activities of EUROSAI since May 2017, which had been mainly focused on the drafting of the Operational Plan (OP) of the EUROSAI Strategic Plan (ESP) 2017-2023 and the launching of the GB members' portfolios. As for the Secretariat's activities, he differentiated those related with the development of the ESP – in this regard, the Secretariat leads the portfolio on relations with other INTOSAI Regional Organizations and the Project Group (PG) on EUROSAI regulations, and is a member of the PG on General Procedures for the ESP - and those related to its inherent functions as Secretariat – among others, the EUROSAI's website updating, the latest issue of the magazine and the call for candidacies to the EUROSAI magazine Editorial Board -.

*The GB took note of 2017-2018 EUROSAI Activity Report and approved the appointment of the SAIs of Belarus, Czech Republic, Poland and the Russian Federation as elected members of the Editorial Board of the EUROSAI Magazine.*

#### **Item 4. "Overall governance and culture" portfolio**

##### **4.1. Operational Plan**

The SAI of Turkey, portfolio holder of the Overall Governance and Culture portfolio, presented its description and projects; firstly, those performed by PGs -drafting General Procedures for the ESP, revising the EUROSAI Regulations and encouraging active membership-; secondly, those on creating an enabling the environment within the GB to focus more on strategic issues; and thirdly, those related to strengthening communication with members -the abovementioned Editorial Board and the enhancement of the website, regarding which he suggested transferring them to the communication portfolio, led by the Latvian colleagues-.

*The GB approved the description of the portfolio on “Overall governance and culture” presented by the Portfolio holder, the SAI of Turkey (the delimitation of the projects under the portfolio would be decided in the respective item of the agenda).*

#### **4.2 Project Group on General Procedures for the ESP 2017-2023**

The SAI of Turkey, leader of the PG in charge of developing the General Procedures for the ESP, presented the draft procedures, explaining that they had been conceived as guidance for the implementation and coordination of the ESP and were very much aligned with the Memorandum on Enhanced EUROSAI Structure and Governance. He also recalled that the draft had been sent at the end of January 2018 for GB members’ comments.

The President of the SAI of the Netherlands commented that the proposed procedures were neither general nor basic guidelines and that he did not agree with the Coordination Team (CT) having the task of approving issues like the PGs’ ToRs, as the draft document stated, nor with the article it contained on asking for written assurance of resource sufficiency. Thus, in his view the document submitted was not needed.

The need for an approval of the PGs’ ToRs was stressed by the SAI of Germany and the Secretariat, who explained that, as experience had shown, the CT requires such a mechanism in order to carry out the coordination and monitoring of the execution of the OP adequately, thus avoiding overlaps and ensuring synergies. Also, the Secretariat and the SAI of Portugal explained that procedures were needed because members required guidance on how to proceed within the new structure and, in the past, members had also demanded a clear definition of roles and functions. Regarding the written assurance on financial sufficiency, the Secretariat clarified that it had been inspired by a similar requirement included in the INTOSAI Strategic Plan but that, in any case, it should be considered merely as a declaration of intention and a reminder of the need to devote appropriate resources.

During the extensive discussion that followed, some participants (SAIs of Finland, Germany, Portugal and Spain) discussed how to make clear that the nature of the document is to serve as guidance, facilitating the implementation of the strategic plan. Changes in the title of the document, the preamble and the verbs used were deemed useful to dispel the concerns expressed by the SAI of the Netherlands. Nevertheless, the President of this SAI pointed out that a total different approach, in general, was needed.

The Chair put the document to the vote with the revisions offered. A majority was reached, as the SAI of the Netherlands was the only member that did not vote in favour. However, the President of the SAI of the Netherlands required a clarification on what had been approved, which was followed by a debate that ended with a suggestion from the Chair for the PG members to meet following the closure of the day’s meeting to amend the document. *The amended version of the document was sent by e-mail to all GB members in the evening of the 14<sup>th</sup> March, with the aim of putting it to the vote on the 15<sup>th</sup>.*

The Chair proposed putting the amended version to the vote since all the comments raised had been assessed and most of them had been incorporated to this new version as a result of that assessment. He emphasized that EUROSAI needed guidance in order to move forward, notwithstanding future improvements of the document, if needed. The President of the SAI of the Netherlands remarked that he did not agree with the amended version, stating that it was not good enough. As a result, and in line with the procedure used in the case of the draft resolution on IntoSAINT, a GB member suggested voting on the first version and that any future proposals for amendments should be sent in writing.

*The GB approved the General Procedures for the ESP 2017-2023 (5 votes in favour out of the 7 members present at that moment) for the time being. The resolution on delegation of the approval of temporary activities to the Coordination Team was also approved by the GB.*

### 4.3 Project Group on EUROSAI Regulations

The President of the SAI of Spain and EUROSAI Secretary General presented the work carried by the PG in charge of reviewing and updating the EUROSAI Regulations, led by the SAI of Spain and with the SAIs of Austria, Czech Republic, Finland, Portugal and Turkey as members. In this regard, the revision of the EUROSAI Financial Regulation (EFR) had been made with a general and long-term vision, so that it was not affected by changes in structure or competences among EUROSAI bodies.

Regarding the authorization of expenses within chapter 2 “Implementation of the ESP”, a draft resolution of delegation on financial backing was presented, differentiating between the hosting of events and other activities. As for the latter, the GB would retain the authority to approve expenses for high level issues, such as the programs set up by EUROSAI (e.g. staff secondments), financial backing to external stakeholders and expenses above an agreed limit.

*The GB approved the update of the EFR and the resolution on delegation of the approval of EUROSAI financial backing, taking note also of the roadmap of the Project Group on EUROSAI Regulations.*

### Item 5. Report on the overall development of the EUROSAI Strategic Plan 2017-2023

The SAI of Turkey presented the Annual Progress Report of the implementation of the EUROSAI ESP, explaining the work carried out by the PGs and that related to the drafting of the OP and portfolios of the GB members. As cross-cutting issues, training and the promotion of Sustainable Development Goals (SDGs)-related audits were highlighted, since they might have links to both strategic goals. Additionally, the following strategic issues were considered critical for the development of the ESP, among others; promotion of active engagement of the members; efficient marketing of possible projects lacking in volunteer SAIs; and ensuring further compliance of planned results in OP.

*The GB took note of the Presidency’s report on the overall development of the ESP.*

### Item 6. Presentation of the Operational Plans of the Goals

#### 6.1. Strategic Goal 1 (SG1): Professional cooperation

On behalf of SG1, the President of the SAI of the Czech Republic (GB co-leader of “Professional cooperation”) presented the work carried out under the scope of the SG1 and the related projects included in the draft OP. He clarified that the draft OP of the SG1 included some projects from the previous ESP, continuing the work performed by some Goal Teams, and highlighted, among others, the following projects; the parallel audit on e-commerce (SAIs of Germany and the Czech Republic); the EUROSAI Innovations publication (derived from the previous ESP and led by the SAI of Germany); the Benchmarking Information Exchange Project (one of the flagship projects of the incoming Czech Presidency, that will offer EUROSAI members a new way to cooperate); EUROSAI databases of audits and products (under the leadership of the SAI of the Czech Republic); the database of surveys (under the leadership of the SAI of Portugal); the updating of the Practical guide for organising training events (SAI of the Czech Republic); and an international Hackathon (another flagship Czech project, a “sprint-like” event in which computer programmers cooperate on software projects in order to create usable software which can lead to efficient use of data). As for the IDI-KSC Community Portal project, it was explained that the SAIs of Portugal and Spain will provide the technical support, while the SAI of the Czech Republic will take on the marketing. Additionally, it was stressed that SG1’s draft OP had not been

conceived as a final document, since it was open to other possible projects that EUROSAI members might propose.

## 6.2. Strategic Goal 2 (SG2): Institutional capacity development

The draft OP of the SG2 “*Institutional capacity development*” was presented jointly by the Polish and Swedish representatives, co-leaders of the SG2. They highlighted that the approach for the SG2 had been to be responsive to EUROSAI members’ needs in the area of capacity building. They also informed that so far they had used the EUROSAI self-assessment as baseline in order to identify the needs, but that to go forward they were thinking on setting up a network of people responsible for methodology in this field.

SG2 co-leaders gave an overview of the activities included in their OP, highlighting the projects undertaken by the Hungarian colleagues (“the role of SAIs in spreading integrity culture” and “social utilization and transparency of public sector audits”) and the three projects stemming from the marketplace of ideas (“enhanced capacity and approaches for peer-to peer support” -the SAI of Netherlands having offered to host the first meeting in The Hague, in autumn-; “the e-course on performance auditing” -kindly offered by ECA, with the SAIs of Portugal and Spain providing technical support-; and the project on “EUROSAI internships and secondment program”, undertaken by the Polish colleagues). Other projects presented were: “the virtual community on Professional Standards” -led by the Swedish colleagues and aimed at exchanging information on the topic through webinars, virtual meetings and other means-; “the translation of the ISSAIs into Russian”; and “the promotion of SGGs audit in Europe”. Some of the initiatives lacked so far a SAI willing to lead it, this being the case of the project to establish links and initiatives with INTOSAI Subcommittee on peer reviews and the one for developing an implementation plan for SAI PMF.

The list of EUROSAI’s training events for 2018-2020 was presented by the SAI of the Czech Republic, whereas the SAI of Estonia informed on the 3rd Yes Congress held in Tallinn and the SAI of United Kingdom’s offer to organize the next YES Congress.

*The GB took note of the information provided by the co-leaders regarding the draft OPs of the SG1 and SG2.*

*The GB approved the list of EUROSAI training events (2018-2020) presented by the SAI of the Czech Republic – with the amendment of including the annual meeting and workshops of the ITWG- and took note of the official letter received from the SAI of UK informing of the 4<sup>th</sup> YES Congress to be held in UK in 2019.*

### Item 7. Roundtable discussion on the development of the ESP.

One of the main challenges faced during the preparation of the OP had been the *level of participation of the EUROSAI members in the foreseen projects* and in this regard the main views expressed by the GB were the following:

- The SAI of the Netherlands pointed out that in his tasks regarding the “portfolio with non-SAI stakeholders” they had realized that in the outside world people had never heard of EUROSAI and did not even know about its existence, so they were of the opinion that EUROSAI should look for more cooperation with other organizations and partners and be a flexible, need based and dynamic Organization, facilitating, and not dictating, what is going to be happening.
- The SAI of the Czech Republic showed a non-pessimist and non-critical point of view because EUROSAI was just at the beginning of the journey, so it was just a matter of finding other ways

for getting the members involved. Issues that negatively affect the level of participation of other SAIs were identified, such as the lack of enough information and direct contact with Presidents and decision-makers, limited budget and also the problem of language.

- The improvement of EUROSAI's internal and external communication was highlighted by the SAI of Poland, whom also emphasized the need for reaching small SAIs and working on the attractiveness of the projects.
- The SAI of Sweden reflected that EUROSAI needs to focus on the needs and endorsed the suggestion made regarding some kind of joint communication from EUROSAI, informing members that there is a possibility to suggest projects and that they can directly contact the co-leaders should they wish to participate in any of the existing projects
- The SAI of Finland stressed the need of reaching out and increasing visibility, making two suggestions: to get the new logo of EUROSAI out, inside and outside EUROSAI, and to reach out through new products and new tools (for instance, a welcome letter/package to be sent to new Heads of SAIs and also reaching out to all those members who are not active today).

The second issue discussed was the coordination between the WG/TF and SG1 & SG2, which is essential for the successful implementation of the ESP. In this regard:

- The Chairs of the WGEA (the SAI of Estonia), ITWG (the SAI of Poland) and TFA&E (the SAI of Portugal) pointed out that they had not found any problem in fitting their work into the SGs and the OP.
- The representative of the Chair of WGAFADC (the SAI of Ukraine) informed that the projects of their WG had not been incorporated into the OP and requested the inclusion of those activities that contributed to the implementation of SG1 and SG2.

In light of the WG and TF's positive comments, the SAI of the Netherlands reflected that maybe the GB should not make a problem where there is no problem at all. The Secretariat explained that since one of the areas for improvement identified by the EUROSAI self-assessment had been the overlap of EUROSAI's implementing bodies, it was advisable to check that no such overlaps hampered the launching of the new ESP, expressing at the same time its satisfaction at the result of this consultation. The Secretariat also highlighted the importance of WGs and TFs in EUROSAI's activity, underlining that the stability of those structures, together with the strong leadership and commitment of their Chairs, ensure that the Organization can continue going forward at a very good rhythm even if EUROSAI's structure changes.

As for the third area of discussion, the SAI of Latvia, member of the FIPP, made a presentation on the work of the FIPP and the new IFPP, elaborating the issue from the perspective of the initiative and the possible contribution of EUROSAI to this process. She focused specifically on the migration from the old INTOSAI framework of professional standards to the IFPP and the possible contribution of EUROSAI to this process, pointing out that either the SG2 co-leaders or the whole GB should consider whether and how EUROSAI would like to co-ordinate the contribution of the European SAIs to development of the SDP 2020-2025, taking into consideration that the EUROSAI ESP foresees that the EUROSAI inputs are based on a joint position of its members. The SAI of Sweden highlighted the importance of being informed on the current work of the FIPP and also of contributing to it due to the variety of models of SAIs of EUROSAI membership, pointing out the virtual community project included in SG2 OP as a way of promoting the use of the standards and of encouraging an active participation in the standard setting work. As for the input to the new SDP he believed that due to complexity of the process and the diversity of SAIs already mentioned it is not feasible to have a EUROSAI's joint position on that but he suggested to encourage EUROSAI members to contribute individually with their own inputs to the development of the new SDP.

*The GB took note of the information received from the SAI of Latvia and the suggestions made by the SAI of Sweden*

Finally, a discussion on the request received for a close working relationship between the INTOSAI Working Group on Extractive Industries and EUROSAI was held, and the SAI of Norway confirmed their interest in cooperating with this group.

### **Item 8. “Relations with other INTOSAI Regional Organisations” portfolio.**

The SAI of Spain presented the description and the draft OP of the portfolio on “Relations with other INTOSAI Regional Organisations”, which aims at enhancing EUROSAI cooperation with other INTOSAI Regional Organizations by improving the cooperation mechanisms already in place and fostering additional forms of knowledge sharing and cooperation. The Secretariat had started working on the portfolio already in May 2017, with the following results so far:

- Identification of topics of mutual interest.
- Following the EUROSAI Secretariat’s proposal, the Regional Forum on Capacity Development (November 2017) had agreed to include a region-to-region practical knowledge sharing session in the INTOSAI-Regions Coordination Platform meetings. The EUROSAI Secretariat had offered to chair the first of such sessions, to be held in June 2018.
- The ToRs for future Joint Conferences with, ARABOSAI, ASOSAI and OLACEFS, and the EUROSAI-AFROSAI cooperation framework had been drafted.
- Candidate SAIs to host next Joint Conferences with ASOSAI and OLACEFS had been identified: the SAI of Israel for the III EUROSAI-ASOSAI Joint Conference in 2019, in Jerusalem, and the SAI of Hungary for the IX EUROSAI-OLACEFS Joint Conference in 2020.

The SAI of the Netherlands proposed to accept both hosts but making them conditional on enough attendance of members. The Secretariat pointed out that the success of these events does not depend solely on the total turnout of EUROSAI membership, highlighting the importance of having a decision from the GB, so that the host can work on offering a good programme that will attract members.

*The GB approved the description of the “Relations with other INTOSAI Regional Organisations” portfolio presented by the SAI of Spain.*

*The GB approved the drafts ToRs of Joint Conferences between EUROSAI and ARABOSAI, ASOSAI and OLACEFS and took note of the EUROSAI-AFROSAI cooperation framework.*

*The GB accepted the kind offers of the SAI of Israel and Hungary to host the next Joint Conferences with ASOSAI (in Jerusalem, in 2019) and OLACEFS (in 2020). The tentative dates and themes proposed by the SAI of Israel were also supported and they will be submitted to ASOSAI for final agreement.*

### **Item 9. “Forward thinking and emerging issues” portfolio**

The SAI of Finland presented the description of the “Forward thinking and emerging issues” portfolio and conveyed the aims of the portfolio, which are, among others, to contribute to the strategical planning work of the GB by raising awareness and to highlight upcoming issues. To that end, a workshop related to emerging issues during the next EUROSAI Congress in 2020 and a preparatory workshop in autumn 2019 were planned.

The following list of issues was presented to feed into the GB discussion of those themes:

- United Nations’ Agenda 2030 - Sustainable Development Goals.
- Digitalisation, Blockchain, Big Data, Data Analysis and development in the ICT-field.

- Strategic issues, know-how and capacity building and change management.
- Population and demography (migration, age pyramids).
- EU development: Brexit, banking union, EFSI (European Fund for Strategic Investments).

The SAI of Finland believed that EUROSAI should be involved in the INTOSAI discussions on what the topics and methodology are and how to contribute to the dialogue between INTOSAI and UN. The representative of the Secretariat of INTOSAI (SAI of Austria) explained that in 2019 INTOSAI would have a compendium of important audit outputs, which should not be understood as a reporting to the UN as such.

The EUROSAI Secretariat shared that it had been in touch with the SAI of Finland to coordinate the channeling of information to INTOSAI's Steering Committee of Emerging Issues.

*The GB approved the description of the "Forward thinking and emerging issues" portfolio presented by the SAI of Finland.*

#### Item 10. "Relations with non-SAI stakeholders" portfolio

The SAI of the Netherlands presented the description and the draft OP of the portfolio on "Relations with non-SAI stakeholders" and explained their role as the public affairs officer of EUROSAI with non-SAI stakeholders. The portfolio holder explained that SAIs and Organizations of SAIs were not included in their stakeholders' lists and that EUROSAI was unknown to them. However, non-SAI stakeholders such as the International Monetary Fund (IMF) and the World Resources Institute (WRI) were keen on developing relations with EUROSAI. The SAI of the Netherlands explained that they had promoted the EUROSAI database of audits to the European Bank for Reconstruction and Development and that the IMF would like to invite EUROSAI to either spring or autumn meetings of the IMF and the World Bank Group to discuss on good governance.

The SAI of the Netherlands explained that they will draft a simple and manageable framework for stakeholder management for EUROSAI and work towards a combined EUROSAI & non-SAI stakeholders' event in 2020 Congress and on identifying more stakeholders.

*The GB approved the description of the "Relations with non-SAI stakeholders" portfolio presented by the SAI of the Netherlands.*

#### Item 11. "Communication" portfolio

The SAI of Latvia presented the description and OP of their portfolio on "Communication", in which they plan, firstly, to update the communication framework and, secondly, to develop approaches/techniques for its implementation and monitoring. The portfolio holder explained that there were numerous objectives and activities for implementing the ESP, all of them needing "marketing", communication tools have significantly developed during the past decade and therefore the current communication framework requires some updating, as can the management and coordination strategy of the communication.

The Secretariat expressed its support to the update of the Communication Framework and enquired about the possibility, for the sake of agility, of start launching communication-related projects, in order not to lose the momentum and avoid having to wait till the framework is ready in 2019 (date foreseen by the portfolio holder). Also, the Secretariat shared the CT's opinion that projects related to communication (such as the refreshment of the website and the editorial board -projects proposed by the Secretariat and entrusted to it in previous GB meetings- or the logo and the communication portal)

should be included under the Communication portfolio, and enquired whether the GB wanted the Secretariat to go forward with the initiatives related to the website and editorial board. According to the opinion of the SAI of Latvia these two particular communication aspects were to be put on stand-by. These, as any other aspects, must be among those to be subjected to a proper general analysis of EUROSAI's communication practices (offered as a part of the portfolio). The SAI of Latvia suggested that by the time when the analysis is finalized and the updated framework approved, any other relevant and previously planned activities must be continued as they were performed before. They admitted that it would be up to the GB to decide whether a fragmented approach, namely – extracting certain activities from the “package”, while the concept is not finalized, was to be followed. However, the SAI of Latvia's suggestion would be to follow certain logical sequence - firstly to focus on the strategic level and then decide on implementing activities selected for the achievement of the goals in an efficient manner. The Chair remarked that the projects on the website and the magazine had been already agreed and pointed out that EUROSAI should go forward, clarifying that the proposal of placing them under the communication portfolio was just about placing the projects in the right place, according to their content, but it would not imply any workload of the Latvian colleagues. The SAI of Latvia emphasized that their proposal for design and implementing of Communication portfolio even suggested that SAI of Latvia would be willing to take responsibility over individual (preferably – pilot) communication projects to implement the framework, but only after analysis of the existing practices and formulation of the most efficient tools and techniques to implement the strategy.

The SAIs of the Netherlands and Finland agreed that the approach of Latvia should be first, whereas the time to put projects in the operational plan would come later.

*The GB approved the description of the Communication portfolio presented by the SAI of Latvia. The projects related to the website and the Editorial Board, which had been approved by the GB in 2017, were to be put on stand-by until the new Communication Framework is approved.*

### **Item 12 y 13. Presentation of the 2017 EUROSAI financial information and Financial requests for 2018.**

The Secretary General made a brief presentation of the financial report, highlighting the main figures of the balance sheet, incomes and expenditures, in particular the budgetary surplus and its impact on the Welfare Fund of the Organisation. He explained that due to the early celebration of the GB meeting the audit report had not been issued, but it would be sent to the GB members as soon as it was ready. He also submitted to the GB's approval the two financial requests received in 2018, for a total amount of 11,090 euros.

*The GB took note of the information provided by the Secretary General regarding the financial report 2017.*

*The GB agreed to grant the following subsidies from the EUROSAI budget:*

- 1. A subsidy of € 6,550 to the SAI of Slovak Republic for financing the 16th EUROSAI WGEA Annual Meeting and Training Seminar on “Auditing Climate Change” (Bratislava, from 25 to 28 September 2018). The subsidy will cover expenses on technical equipment, conference rooms, microphones and data projectors, be financed by allocations in Chapter 2 of the 2018-2020 EUROSAI Budget and paid in the 2018 financial year.*
- 2. A subsidy of € 4,540 to the EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes, to be paid to the SAI of Moldova, for financing the organization of the IV*



*Meeting of the Working Group on the Audit of Funds Allocated to Disasters and Catastrophes and the Seminar on “Practice of using the International of the Supreme Audit Institutions in conducting audits in the sphere of prevention and consequences elimination of floods” (Chisinau, Moldova, 29 and 30 March 2018). The subsidy will cover the cost of rental of the conference room, equipment and interpretation service, be financed by allocations in Chapter 2 of the 2018-2020 EUROSAI Budget and paid in the 2018 financial year.*

#### **Item 14. EUROSAI Working Group on Information Technologies (ITWG).**

The SAI of Poland (Chair of the ITWG), presented the main activities carried out by the ITWG since the last GB meeting, focusing on the progress of the Active IT Audit Manual; the parallel and joint audits carried out; the CUBE (Control Space of E-government); the ITSA workshop at ECA’s premises and the subgroup’s annual meeting (march 2018). He also presented the new version of the ITGW website and informed that no ITASA could be executed yet. The Chair of the ITWG announced that next meeting of the ITWG would be held on 12-13 April 2018 in Tallinn, Estonia.

*The GB took note of the report on the activities of the EUROSAI Working Group on Information Technologies from May 2017 to March 2018.*

#### **Item 15. EUROSAI Working Group on Environmental Auditing (WGEA).**

The SAI of Estonia (Chair of the WGEA) gave an overview of the annual progress made, informing on the training seminar on Data and Analysis in Environmental Audit organized and that the three cooperative audits launched -cooperative audit on air pollution, cooperative audit on marine protected areas and cooperative audit on energy efficiency- were progressing well and were planned to be completed by the end of 2018, while a new MOOC-project on auditing water issues was foreseen for autumn 2018.

Moreover, the Chair of the WGEA explained that the European Commission had included the EUROSAI WGEA in a recently established high-level expert group named the 'Environmental Compliance and Governance Forum' and in this regard they were submitting to the GB a draft Resolution, in which the GB mandates the WGEA Chair to represent EUROSAI in the Forum, and to nominate as well as call back experts from the EUROSAI WGEA members to participate in it. The Secretariat expressed its satisfaction regarding the invitation made by the European Commission, as it revealed that the EUROSAI WGEA was well-known, having been identified as a key stakeholder in its field.

*The GB took note of the report on the activities of the EUROSAI Working Group on Environmental Auditing and approved the Resolution proposed by the WGEA regarding the participation of EUROSAI in the high-level expert group named the “Environmental Compliance and Governance Forum” established by the European Commission.*

#### **Item 16. EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes (WGAFADC).**

The SAI of Ukraine (Chair of the WGAFADC) presented the main activities carried out to achieve the strategic goals of the WG, such as the agreement to participate in three international coordinated

audits (on prevention and consequence elimination of floods; on prevention and consequence elimination of earthquakes, and waste management and utilization); the work done regarding the promotion and support in implementing the ISSAIs, particularly ISSAI 5500-5599; the participation in the IDI-ASOSAI program for joint audits in the area of Audit of disaster management; and the activity of the WG for contributing to the achievement of the SDGs. The SAI of Turkey proposed including in the OP those activities of the WG related to SG1 and SG2, since many of the WG's initiatives were related to cooperative audits and INTOSAI Professional Pronouncements.

*The GB took note of the report of the EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes and agreed to include in the OP the activities of this WG which are related to the Strategic Goals 1 and 2. To that end, the co-leaders would contact the SAI of Ukraine to fit those activities into their respective OPs.*

### **Item 17. EUROSAI Task Force on Audit and Ethics (TFA&E).**

The SAI of Portugal (Chair of the TFA&E) presented the progress made on the TF's Work Plan and highlighted that the main achievements in both TF's mainstreams "Support implementation of ISSAI 30" and "Encourage SAIs to promote integrity in public sector" had been the finalization and approval of two Guidelines, on "Audit of Ethics in the Public Sector" and on "How to implement ISSAI 30".

The Portuguese colleagues added that the EUROSAI PG "Role of SAIs in Spreading Integrity Culture" led by the Hungarian colleagues had been intensively working in raising awareness and encouraging SAIs on promoting integrity in the public sector and recalled that the TF had coordinated their activities with the PG's in order to combine efforts and work in the same direction.

Looking at the future, the Chair of the TFA&E noted that the focus of the TFA&E till the next EUROSAI Congress in 2020 will be on disseminating the guidelines already produced and strongly supporting the implementation of ISSAI 30. The annual seminar of the TFA&E was announced to be held in October 2018, in Lisbon.

The SAI of the Netherlands suggested a possible cooperation with the European Bank for Reconstruction and Development, given their interest in cooperation in the field of ethics related issues.

*The GB took note of the activity report of the EUROSAI Task Force on Audit & Ethics.*

### **Item 18. EUROSAI Task Force on Municipality Audit (TFMA).**

The SAI of Lithuania (Chair of the TFMA) reported on the main results and next steps regarding the strategic goals of the TFMA (which are in line with SG 1), focusing on the webpage and forum launched; the cooperation initiated with the European Organization of Regional External Public Finance Audit Institutions (EURORAI); the analysis of the external audit systems that had been carried out (englobing 26 TFMA members' countries); the methodologies used in municipality audits; and the identification of the most relevant areas for conducting cooperative audits. He also informed on the activities to be carried out in 2018, such as the annual meeting and seminar (Belgrade, Serbia, in November); an annual newsletter; a database about the main municipal data; participation in a EURORAI seminar; an overview of external municipal audit models in TFMA countries; a list of areas where recommendations and guidelines on municipality audit could be useful; and a final decision on whether to conduct the audit "Responsibility of Local Governments' Capital Investments".

*The GB took note of the activity report of the Task Force on Municipality Audit.*

### Item 19. Information on INTOSAI.

The INTOSAI General Secretariat reported on the celebration of the 40th anniversary of the Lima Declaration, in December 2017, the Peer Review project on SAI Independence, and the INTOSAI Global Survey Report 2017. Regarding the audit reports of the INTOSAI's financial statements 2016 and 2017, it was explained that the audit had been conducted by the SAIs of Lithuania and Ghana and that the reports contained a positive opinion and no reservations, and would be handed over to the INTOSAI GB in April. It was also recalled that the "Financial Audit ISSAI Implementation Handbook" would be exposed for public comments until 20 May 2018.

*The GB took note of the information provided by the INTOSAI Secretariat on the celebration of the 40th anniversary of the Lima Declaration; the INTOSAI Global Survey Report 2017; the audit reports of the INTOSAI's financial statements 2016 and 2017; and the exposure draft of the "Financial Audit ISSAI Implementation Handbook".*

### Item 20. Information on the next INCOSAI (2019).

The SAI of the Russian Federation reported on the preparation of the next INCOSAI, to be held in 2019, and its two themes: Theme I (chaired by the SAI of China), devoted to digital data applications and big data, and Theme II (chaired by the SAI of the Russian Federation), devoted to strategic auditing. The involvement of the SAIs had been the main idea of creation of the themes and an important question was how the regional organization would be involved. In this regard, some surveys on both themes will be disseminated in advance and the results will be submitted to the regional organizations in order to identify any specific problems for the regions within the themes. In addition, round tables and other events are foreseen to involve not only SAIs but also different experts and it was announced that the website of the Congress would be launched at the beginning of April.

*The GB took note of the information provided by the SAI of the Russian Federation on the preparation of the next INCOSAI, to be held in 2019.*

### Item 21. Information on key issues discussed at the 70<sup>th</sup> meeting of the INTOSAI Governing Board.

The representatives of EUROSAI in the INTOSAI GB (the SAIs of Poland and Portugal) presented the information about the 70<sup>th</sup> meeting of the INTOSAI GB, focusing mainly on the three main topics discussed during the same. As for the implementation of the INTOSAI Strategic Plan, they explained that INTOSAI Committees were expecting more and more involvement from the Regional Organizations. Regarding the contribution of SAIs to the implementation of the UN Sustainable Development Goals (SDGs), a new section in the INTOSAI website had been created for publishing SDG-related audit reports and a Conference on SDGs with the community of SAIs in Portuguese speaking countries would be organised in November 2019 by the SAI of Portugal. In relation to the INTOSAI Strategic Development Plan for the INTOSAI Framework for Professional Pronouncements 2017–2019, it was highlighted that it included a project for drafting a document on "Fundamental principles of jurisdictional activities of SAIs".

*The GB took note of the information provided by the EUROSAI representatives within the INTOSAI GB on the main issues discussed during the 70<sup>th</sup> meeting of the INTOSAI GB.*

### Item 22. IntoSAINT draft resolution.

The SAI of the Netherlands presented a draft resolution to the GB, which would resolve “to lead by example and calls upon its individual members to each conduct an IntoSAINT self-assessment by the end of this GB term (mid 2020)”.

The SAI of Moldova shared their positive experience of conducting an IntoSAINT self-assessment and the SAI of the Netherlands announced that they would do an IntoSAINT during the next year. The Chair of the CT (SAI of Turkey) suggested slight changes in the draft in order to encourage all EUROSAI members, and not only GB members; to englobe in the resolution additional self-assessment tools; and to emphasize the “voluntary” nature of the proposal, using for example the verb “to encourage” instead of “to call upon”. A discussion was held among all the participants, exchanging points of view on the document. The SAI of Poland summarized the three existing options, in what in their opinion was the preferable order: first, a proposal from the GB instead of a “resolution”, since the encouragement of ethics self-assessment, internal evaluation and peer review as a regular practice in SAIs in liaison with the IntoSAINT initiative was already included in the activities/projects of the TFA&E; second, the amended version as presented by the Chair; and third, the original one. The SAI of the Netherlands required that the original draft resolution be the one to be put to the vote, to which the Chair agreed.

*The GB approved the IntoSAINT draft resolution presented by the SAI of the Netherlands (5 votes in favour, 2 against and 1 abstention).* The Secretariat explained that they had decided to abstain to vote because, while not having any objections to the original version, they would have preferred the alternative version proposed by the Chair. In this regard, the Secretary General was of the opinion that, regardless of using either “call upon” or “encourage”, the alternative version was more appropriate since; it included a reference to the activities of the TFA&E (which is the framework for the resolution), it was more flexible (since it encompassed also other INTOSAI self-assessments tools) and it was even more ambitious (as was aimed at all EUROSAI members and not only the GB members).

### Item 23. Discussion on cooperation with INTOSAI Donor cooperation.

The INTOSAI-Donor Secretariat presented the Global Call for Proposals (GCP), a mechanism to empower SAIs in developing countries to put forward capacity development funding proposals at the country, regional and global level, and explained the advantages that EUROSAI could benefit from. Once SAIs submit their proposals, the INTOSAI-Donor Cooperation seeks to match them with donors and/or with INTOSAI funding. In the case of EUROSAI, 13 members are eligible for support and the other 37 might potentially offer peer support, the latter being invited to share their technical support with peers, by sending capability statements to the INTOSAI Donor Secretariat (which did not imply funding support). The INTOSAI-Donor Secretariat suggested that a SAI or a Project group could coordinate actions on the two sides, organizing webinars, skype calls or video conferences for eligible SAIs interested in applying for the GCP.

The SAI of Sweden explained that the GCP has a clear link to EUROSAI SG2 and the OP includes a workshop on peer to peer support, to be held in autumn in the Netherlands, and which matched perfectly with the INTOSAI Donor Secretariat’s suggestion.

*The GB took note of the information provided on the GCP and appreciated the INTOSAI-Donor Secretariat’s proposal for future collaboration on both sides of the support (recipients and providers),*

*acknowledging the availability of the co-leaders of SG2 to discuss the proposal further to see how it could fit either in the current projects of the SG2's OP or in additional projects that might be set up.*

#### **Item 24. Wrap up of the EUROSAI Operational Plan and submission for GB approval.**

After the extensive discussions held on the OP, the Chair summarized the content of the final OP and enumerated the amendments that would be done as a result of the debate, which were the following; firstly, to remove the projects related to the magazine and the website and, secondly, to add the projects of the WG on the Audit of Funds Allocated to Disasters and Catastrophes that were related to SG1&2.

*The draft EUROSAI OP was approved by the GB with the following amendments:*

- *The projects related to the refreshment of the layout of the website and the launching of the editorial board of the magazine would be excluded from the OP and put on hold until the GB receives the results of the analysis to be conducted by the Latvian colleagues regarding the EUROSAI Communication Framework and agrees on the way forward.*
- *The projects of the Working Group on the Audit of Funds Allocated to Disasters and Catastrophes related to the objectives of the Strategic Goals 1 and 2 will be added to their respective OPs.*

#### **Item 25. Preparation of the XI EUROSAI Congress in 2020.**

The SAI of the Czech Republic provided some information regarding the organization of the XI EUROSAI Congress, to be held in 2020, explaining briefly their vision for the event, which was summarized with the "3C's" (communication, cooperation and comparison), the "3E's" (effectiveness, efficiency and economy), and the "3i's" (information, innovation and interactivity).

*The GB took note of the information regarding the organization of the XI EUROSAI Congress, foreseen to take place in Prague from 31 May to 5 June 2020.*

#### **Item 26. Next EUROSAI GB meeting.**

The SAI of Latvia offered the month of June as a tentative date to hold the next GB meeting at Riga, taking into account the dates of the next EU Contact Committee meeting to be held in June 2019, as well.

*The GB took note of the venue for the next meeting of the GB (Riga, Latvia), being the month of June of 2019 the tentative timing for the same.*