

44th EUROSAI GOVERNING BOARD MEETING

Luxemburg, 13-14 June 2016

SUMMARY OF THE MAIN DISCUSSIONS AND AGREEMENTS (SoA)

The 44th meeting of the EUROSAI Governing Board (GB) took place in Luxemburg, on 13-14 June 2016. The meeting was chaired by Mr. Arno Visser, President of the SAI of The Netherlands and President of EUROSAI, and hosted by the European Court of Auditors (ECA). This document summarises the main discussions and agreements:

Items 1 and 2. The agenda of the 44th Meeting of the GB (with a minor change in the order of items) and the minutes of the 43rd GB Meeting, held in Helsinki (Finland) on 10 May 2015, were unanimously approved by the GB.

Items 3 and 5. The GB took note of the 2015-2016 EUROSAI Activity Report, the 2015 Financial Report and the 2015 EUROSAI audit report, which stated that the financial statements provided a true and fair view of the EUROSAI financial position for that fiscal year.

Item 4. The GB took note of the information provided by the Chair about the Presidency Program, including the open data seminar report, and made the following decisions:

- ✓ The GB agreed to discontinue the extractive industries activity.
- ✓ The GB approved the 3 proposals contained in the report on the results of the survey on health care performance audits, with the idea of conducting them in turn.
- ✓ The GB agreed that the young EUROSAI movement itself, at the YES Congress, would be able to decide on the topic and host SAI for the following YES Congress in an open process. The candidacies presented by the young representatives need to be backed by the respective SAIs.
- ✓ Following the official candidacy letter sent by Mr. Alar Karis, the GB agreed that the SAI of Estonia would host the III YES Congress.

Item 6. Regarding EUROSAI financial issues, the GB made the following decisions:

- ✓ The GB took note of the information provided on the justification of 2015 subsidies from the EUROSAI budget.
- ✓ The GB agreed to grant five financial subsidies from the EUROSAI budget, for the organization of the followings events:
 1. An amount of 3,500 euros, to the SAI of Lithuania, for financing a seminar on Ground breaking analysis in auditing municipalities – timely audit impact (20-21 September). The grant was to be covered by the funds allocated to Strategic Goal 1.
 2. An amount of 6,000 euros for financing a training seminar of the Working Group on the Audit of Funds Allocated to Disasters and Catastrophes, on the topic of Practical implementation of ISSAIs 5500-5599 and hosted by the SAI of Azerbaijan (6-7 April). The grant was to be covered by the funds allocated to Strategic Goal 3.

3. An amount of 257,88 euros for financing the 2016 annual meeting of the Task Force on Audit and Ethics, held in Madrid (19-20 May). The grant was to be covered by the funds allocated to Strategic Goal 3.
 4. An amount of 6,121 euros for financing the 11th meeting of the Working Group on Information Technologies held in Prague (1 to 3 June). The grant was to be covered by the funds allocated to Strategic Goal 3.
 5. An amount of 15,000 euros for financing the meeting of the 44th EUROSAI GB (13-14 June). The grant exceeds the subsidy limit set in the Financial Rules, but the GB used its power to grant a higher amount, after taking into account that the meeting had been originally meant to be hosted by another member of the GB and, thus, ECA had not foreseen this event. The subsidy is meant to cover the interpretation cost, which the ECA had to contract externally. The grant was to be covered by the funds allocated to Strategic Goal 4.
- ✓ The GB approved the proposed amendment of the EUROSAI Financial Rules, related to the criteria for granting and prioritizing financial requests.
 - ✓ The GB approved the contracting of a total of 120 hours for small developments in the website (at an estimated cost of 5,000 euros, tax excluded).
 - ✓ The GB agreed to launch a project for designing a new brand identity for EUROSAI, consisting of two phases; in the first phase, a competition would be organised within EUROSAI for the design of the logo, while the second phase would entail the use of an external contract to apply the new logo to EUROSAI's documents, such as reports or regulations (with an estimated cost of around 2,500 euros for this second phase).

Items 7 and 8. In the framework of the implementation of the EUROSAI Strategic Plan, Goal Teams 1 (Chair: SAI of Hungary), 2 (Chair: SAI of Germany), 3 (Chair: SAI of the Czech Republic) and 4 (Chair: SAI of The Netherlands) presented the progress made since the last GB meeting and future projects. The decisions of the GB were the following:

- ✓ The GB took note of the GTs' annual progress reports, updated OPs and GT4's overall progress report on the implementation of the Strategic Plan.
- ✓ The GB approved the amended ToR of GT3, which was updated to include Turkey as a new member.
- ✓ The GB approved the list of EUROSAI training events.
- ✓ The GB acknowledged GT4's report on the results of the survey on the Magazine.
- ✓ The GB agreed on setting up an editorial board, chaired by the Secretariat, which, among other tasks, would be in charge of implementing the recommendations included in the survey's report (such as the one to explore creating an online version of the magazine).
- ✓ The GB acknowledged the note on the collaboration platform for EUROSAI and agreed on testing the INTOSAI KSC-IDI online learning and communication.

Items 9 and 10. The GB took note of the activity reports of the EUROSAI Working Group on Information Technology (ITWG; Chair: SAI of Poland), the Working Group on Environmental Auditing (WGEA; Chair: SAI of Estonia), the Working Group on the Audit of Funds Allocated to Disasters and Catastrophes (Chair: SAI of Ukraine) and the Task Force on Audit & Ethics (TFA&E; Chair: SAI of Portugal).

After discussion among the GB members on whether and how to launch a competition for the video on Ethics, following the TFA&E's proposal, the decision supported by the GB (by all members except the SAI of Belgium) was to give the TFA&E the mandate to develop further the idea and make a concrete

proposal on the name, price, jury and other issues, which would be endorsed by the GB by written procedure.

In addition, the Secretariat encouraged the WGs to adopt the TFA&E's good practice of organizing informative sessions with the staff of the SAI hosting the annual meetings, as a way to disseminate knowledge within SAIs about EUROSAI and its WGs activities and, thus, strengthen communication.

Item 11. Following the proposal of the SAI of Lithuania, the GB agreed to set up a Task Force on Municipality Audit and requested, as a first assignment for it, to submit a note with the specific factors which justify the establishment of the said Task Force and which differentiate the audit of Municipalities from the audit of other public entities, and so demonstrate the added value of the TFMA to EUROSAI members.

Item 12. With regards to the independent evaluation of EUROSAI, the GB took note of the external scan report and the provisional report on the EUROSAI Self-Assessment and urged GT4 to finalize the self-assessment report as soon as possible, so that its (verified) information, in particular that regarding chapter 4 on "Future development", may be used as input for the preparation of the 2017-2023 strategic plan .

In February at the latest, the GT4 should deliver to the GB the final report on the EUROSAI Self-Assessment and the draft Strategic Plan, based on which the GB will reflect on the next steps to be taken for phase II of the independent evaluation. The GB also decided that phase II of the evaluation (an independent external review) should only start after concluding phase I, and that it would be more valuable if it took into account the new strategic plan, to avoid duplicating the work of phase I. The independent external evaluation might therefore be performed in the context of the mid-term review of the Strategic Plan 2017-2023.

Item 13. Regarding the expectations and role of the EUROSAI GB, the discussions highlighted one paragraph of the regional paper on Professionalization that captures well the discussion : "to organise itself on the basis of intended results". This should be taken into account when drafting the new EUROSAI Strategic Plan.

Item 14. Regarding the expectations of the EUROSAI representatives in the INTOSAI GB, the GB discussed that they should be willing to represent the EUROSAI community, they should be committed to EUROSAI and prepare the INTOSAI GB meetings in close coordination with the EUROSAI President and Secretary General, provide EUROSAI with feedback on the INTOSAI GB discussions, find new agile ways of communicating with the EUROSAI GB, keep in mind that they are representing EUROSAI and search for common positions on strategic issues which might be debated in INTOSAI. In general, it would be desirable that EUROSAI representatives would provide for more transparency and openness in respect of the INTOSAI GB discussions.

Item 15. Several decisions were taken by the GB after the discussion on the preparation of the EUROSAI Strategic Plan 2017 – 2023:

- ✓ The GB agreed that the new Strategic Plan for EUROSAI should be demand- and outcome-oriented, and that it should follow a logical three-step process (define the desired outputs and outcomes, identify activities and initiatives and determine how to organize ourselves). The GB also authorized GT4 to not necessarily mirror the INTOSAI goals when thinking about a more flexible and agile structure.
- ✓ Furthermore the GB agreed on the Secretary General's proposal for GB members to join and assist GT4 in the finalization of phase I and in the development of the strategic plan.

- ✓ The GB agreed to hold an extraordinary meeting in February, to be hosted by the SAI of Moldova, which will be dedicated to the discussion of the draft Strategic Plan for 2017 – 2023.

The Chair of GT4 informed that the first milestone in the drafting of the EUROSAI Strategic Plan 2017 – 2023 would be the finalisation of the self-assessment report. There would then be a discussion about the needs assessment within GT4 (enlarged with all GB members) to define outcomes and goals, after the self-assessment's approval by the GB in February 2017. Mr. Visser said that by the end of March there should be a consolidated draft for the GB to present to the Congress.

Item 16. Regarding cooperation with INTOSAI Regional Working Groups (RWG), the Secretariat presented the discussion paper on EUROSAI Cooperation with other INTOSAI RWGs and various proposals to improve cooperation with other regions. As a result of the discussions, the following decisions were taken by the GB:

- ✓ EUROSAI will continue organising Joint Conferences with OLACEFS, ARABOSAI and ASOSAI and implement the proposals set out in the Secretariat's discussion paper concerning format, participants, frequency (*no fixed schedule, depending on relevant topics*) and final outcomes.
- ✓ No formal declarations/statements will be issued as a final result of Joint Conferences.
- ✓ As for the 2017 Joint EUROSAI ASOSAI Conference, the GB approved the following proposal on topic and dates, to be submitted to ASOSAI:

Topic: "Contribution of Supreme Audit Institutions in overcoming challenges of our time", with the following subthemes:

- ✓ Humanitarian, Natural and Man-caused Disasters, such as migration issues. Capacity to Due Prevention and Response;
- ✓ Prevention of Corruption as Opening of Opportunities for Investment.

Dates: 26-28 September 2017

The above-mentioned proposals will be implemented for this Conference and evaluated afterwards.

- ✓ As suggested by the Secretariat, the approach for launching the cooperation with AFROSAI will be discussed during the next INCOSAI in Abu Dhabi, in a bilateral meeting of the President and Secretary General of EUROSAI with the representatives of AFROSAI.
- ✓ The GB also encouraged the use of alternative mechanisms to promote cooperation with other RWGs, as described in the Secretariat's proposal.

Item 17. Regarding cooperation with IDI, the GB took note of IDI's report, which informed about the implementation of the IDI Strategic Plan 2014-2018 during 2015, IDI's performance and the IDI Capacity Development programs portfolio for 2016-2018.

Item 18. The GB took note of the INTOSAI information provided by the INTOSAI Secretariat and was informed on the steps that INTOSAI is taking and initiatives regarding the SDGs, such as the theme I of the 22nd INCOSAI, INTOSAI-UN engagement and KSC-IDI's development of a comprehensive program for auditing the implementation of the SDGs.

Item 19. With regard to EUROSAI – INTOSAI issues, the following decisions were made:

- ✓ The GB agreed to propose the SAI of Portugal in replacement of the SAI of the Russian Federation in the INTOSAI Governing Board for the period between the 22nd and 23rd INCOSAI, following a vote by secret ballot on the six candidacies received.
- ✓ The GB took note of the information provided by the EUROSAI members of the INTOSAI GB.

- ✓ Regarding the EUROSAI regional papers for the 22nd INCOSAI, the Theme I and Theme II papers presented by the SAIs of Finland and Portugal were approved and strongly supported by the GB. It was also agreed that the team in charge of drafting the new EUROSAI Strategic Plan should build on the theme II paper on professionalization.

Item 20. The GB took note of the information delivered on cooperation between EUROSAI and ECIIA and approved the ToR of the EUROSAI- ECIIA Joint Seminar, in Brussels in 2017.

Item 21. The GB approved the list of observers for the X EUROSAI Congress in Turkey and the draft Rules of Procedures for that Congress, which will be presented to the General Plenary Session of the X EUROSAI Congress for adoption.

Following the extraordinary meeting of the GB (in Moldova, in February), the next GB meetings will be on the 22nd and 25th of May 2017, in Istanbul.

Item 22. To facilitate the decision that needs to be taken by the next Congress on the candidacies received (SAIs of Czech Republic and Israel) for hosting the 11th Congress, the GB agreed that the two candidates should prepare and present to the 10th Congress their respective Presidency projects. The GB also agreed that the Presidency and Secretariat would draft the terms of the proposals to be presented by the candidates to the next Congress.