

CONTROLORÍA
GENERAL DE LA REPÚBLICA
COLOMBIA

EUROSAI

2nd Euro-American Conference of Supreme Audit Institutions

Cartagena de Indias, Colombia – Hotel Santa Clara
10th and 11th July 2002

Conclusions and Recommendations

SUBJECT 1
**CONTROL AND THE FIGHT AGAINST CORRUPTION IN A GLOBALISED
WORLD**

CONCLUSIONS

1. The mobilisation of illegal capital puts obstacles in the way of the political and economic potential of the public, creating economic and financial groups that insure that their interests prevail over those of the community, negatively influencing the democratic development of national communities.
2. Internal means of control have demonstrated that they are not sufficient to guarantee that public services can attend to the public according to the standard patterns of good government.
3. The SAI have to be highly trained and have constantly updated experience if they wish to last, being aware of the importance of public knowledge of their management, encouraging the permanent and convenient support of parliament, the media and the people for the work that they perform.
4. The communications systems and those for the exchange of information between the SAI are acquiring in the present period a very high level of technological advancement that complements and guarantees the development of their activities, which it is considered has to point fundamentally at the well-being of the people and of the community as a whole.
5. For the audit action to be a success, social control means have to be put into practice and citizen control instruments propitiated, organised under the responsibility of civil society, their collaboration being included through their intervention in the position of supervisors in the control actions to be performed by the SAI, in terms of their interest in the subject and their possibility of contributing.
6. It is not admissible in our democracies that joint capital companies, or private operators who perform the same activities financed with public funds, that were formerly carried out by public departments and agencies subject to the SAI accounting principles and audit, should be excluded from the necessary control of these.
7. Sufficient world consensus exists to understand the need to adopt agreements for cooperation in audit processes, judicial detection and investigation of acts of corruption, in the subject of international public contracting.

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8. It is clear that any measure that is taken with the legal instruments for fighting against crime, within the framework of international cooperation among the judicial powers and the police at the domestic level, will have very limited effects if international coordination and cooperation are not taken into account.
9. The globalisation of international relations will allow the possibilities of reciprocal coordination and cooperation to become wider, which will permit our capacities for fulfilling the functions assigned to be enriched.
10. Experience has shown that the control bodies need to be recognised and enjoy autonomy within the framework of international legal cooperation against corruption.
11. In accordance with the view of various countries in the OLACEFS region, national anti-corruption strategies tend not to value the SAI fully. Apart from the problems of coordination and speaking in institutional relations, problems occur regarding moral authority: it frequently happens that Government bureaucrats are found mysteriously formulating the anti-corruption strategy, at the same time that the control bodies are revealing serious problems of corruption in the Government.
12. The promotion of ethical and civic values, aimed at constituting and reinforcing a culture of probity in public administration and finally in society in general constitutes one of the challenges of the SAI.

RECOMMENDATIONS

1. It is imperative to make ample international agreements and take the legislative measures necessary for due cooperation between the Supreme Audit Authorities, with the object of efficiently combating non-legal acts. In principle, article XIV must be put into practice on the Assistance and Cooperation of the Inter-American Convention against Corruption, together with numbers 8 and 9 of the Declaration of the United Nations on Corruption and Bribery in International Commercial Transactions, also encouraging the extensive application of the Anti-Bribery International Convention of the Organisation for Economic Cooperation and Development (OECD).
2. It is necessary for a part of society, mainly from the private sector, to commit itself to activities of public interest, contributing to exercising the respective control by sharing this responsibility with the State.

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3. It has become necessary to put systems of cooperation into practice for the lifting of bank secrecy in the country and abroad of functionaries involved in irregularities in the matter of control actions and also the permanent exchange of information on international transactions, internal control systems and fraud detection.
4. The role of the SAI has to be strengthened with the object of increasing accountability in the political field, as the SAI is the only state institution independent of the Executive that can provide technical assistance to the parliaments so that these can exercise greater political control.
5. Advantage should be taken of the national preparatory Meetings of the future convention of the United Nations, promoted by the Inter-Governmental Group of Experts, with its headquarters in Vienna, to strengthen the consensus on the convenience of providing non-judicial bodies with more tools to combat transnational corruption.
6. It has been suggested that means should be considered that would prevent firms responsible for acts of corruption in a foreign country – for a period of time of at least 5 years – from participating in public bidding and making contracts with signatory States of the future Anti-Corruption Convention of the United Nations.

SUBJECT 2
**“SUPREME AUDIT INSTITUTIONS AND INTERNATIONAL
COOPERATION”**

CONCLUSIONS

1. The economic differences between the developed countries and the countries that have a lower level of development force a transfer to be made of resources from the first to the second via the different international cooperation channels. This transfer implies a great challenge for the SAI in one or another State, in order to prove the legality of the use of these resources and also the efficiency, results and impact of their application.
2. The fight against corruption must be institutionalised through International Bodies and Institutional Bodies of the SAI, such as EUROSAI and OLACEFS, in the sense of seeking cooperation to avoid an increase in this social scourge. The benefits derived from undertaking intense activity of international cooperation are recognised within the framework of international bodies, multilateral bodies and inter-institutional organisations as well as bilateral cooperation.
3. The EUROSAI – OLACEFS alliance can be the axis both for the traditional legal and financial controls and the more modern ones: efficiency, results, impact. The main tools that must be employed by the SAI to achieve this coordination are:
 - a) The network of cooperation and integration processes discussed in the first EUROSAI – OLACEFS Conference in Madrid.
 - b) The auditing and internal control standards of the INTOSAI.
4. The standards prepared by the INTOSAI in the different Work Groups (Public Debt, accounting, the environment, programme control, electronic data processing, privatisation and the last group of ad-hoc Audits for International Operations) but be constituted in vital elements for making this coordination consistent and integrating.
5. Audits of the funds of the International Financial Institutions are an important base for cooperation based fundamentally on the strong standardisation in the procedures. The audits on donations that have been made are also important, as they permit valuable experiences to be obtained for them to be exchanged.

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6. The IDI is an extremely important tool for ensuring and widening the transfer of present knowledge between the SAI. Therefore, continuous support is required for the work of the IDI.
 7. The SAI in donor countries of assistance for development could play an important role in order to ensure that this aid is more efficient and aimed at the results expected.
 8. The most developed SAI must understand the importance that it has for the less developed SAI with less experience in the control of public management, to make cooperation agreements that allow the transfer of new knowledge, techniques and technologies, whether through training, sabbaticals of functionaries, specialised technical advice or by means of establishing communication and information procedures and other types of cooperation.
 9. The success achieved by different cooperation efforts between SAI in various countries in unifying experiences and resources for effective labour is recognised. Of these, the following are given as examples:
 - 9.1. Scientific and cultural cooperation developed in the context of the SAI in the Community of the Portuguese-speaking Countries, relating to the control of the use of public financial resources, has been very fruitful and constitutes a constant concern for the institutions and shows the positive achievements that can be reached with integration among the SAI.
 - 9.2. The diverse cooperation activities between the SAI in the 15 member States of the European Union within the context of the Presidential Contact Committee, including the comparative analysis of national management models and control of Community structural funds, observance of the policy of competitiveness promulgated by the European Union at the State aid level and the development of a system of electronic connections between the various SAI.
- All these activities constitute concrete examples that justify the principle of cooperation and mutual assistance, through the creation of common objectives that always guide the international cooperation activities.
10. The support that the SAI receive on the part of multilateral bodies, mainly financial, or on the part of agencies and Cooperation bodies for development, must not compromise their independence in exercising control over other projects carried out with funds from the same sources.

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11. The SAI must be an example of efficiency, transparency and responsibility in the handling of resources from international credit, particularly in the modernisation projects many of them handle.
12. There is a tendency not to consider the SAI in the international agreements for the fight against corruption signed by governments, a more pro-active attitude from the SAI being necessary in order to incorporate an acknowledgement of their function as transcendent agents for the governing of countries.

RECOMMENDATIONS

1. To consolidate a EUROSAI-OLACEFS alliance that performs a leading role that is effective in the coordination between the SAI of both continents. Both organisations are the strategic platform par excellence for cooperation regarding Control of the projects generated and the resources invested in for the development of the regional integration processes.
2. To pro-actively encourage the convenience of including the SAI in all the programmes and multilateral and bilateral instruments for fighting against corruption before the chancellery of the different States, particularly in the future convention of the United Nations on this issue.
3. To make up a Permanent Committee or Special Work Team with delegates from the OLACEFS and EUROSAI respectively, for the analysis and development of coordinated, concurrent or joint control programmes on issues regarding the control of International Cooperation funds.
4. Apart from the financial and legal control of the resources of international cooperation, the SAI should, individually and collectively, take control of efficacy and efficiency in the use of these resources and of their economic and social impact, in accordance with national legislations.
5. To take decisions to programme the restoration of forums, workshops and virtual and/or physical conferences as soon as possible, with the purpose of strengthening cooperation and mutual support between the Latin American and the European SAI.

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6. To develop an agenda for cooperation in specific investigations between the SAI and to exchange information related to cases of possible situations of corruption and embezzlement in transactions involving international actors.
7. It is suggested that a specific chapter on the control of International Cooperation funds should be included within the framework of the Strategic Plan for INTOSAI.
8. To prepare an EUROSAI-OLACEFS work agenda with the purpose of identifying and promoting joint cooperation actions between the SAI and Latin America.

THIRD SUBJECT
“CONTROL IN ENVIRONMENTAL MANAGEMENT”

CONCLUSIONS

1. In spite of the different competences and the scope of the control exercised by the different SAI in Europe, Latin America and the Caribbean, together with the regulations and standards that rule public management in our countries, harmony exists in which natural resources and the environment are considered as public assets and, consequently, it corresponds to the SAI to contribute to their preservation and sustainable exploitation in benefit of the economic growth processes.
2. The trans-frontier nature of the impact generated on the environment, as a result of the globalisation process, such as free trade, technological revolution in telecommunications, the operating of trans-national companies and the globalised capital market, present new and greater challenges in watching over public management for the supreme control bodies. For example, trade and exchange of agricultural goods (genetically modified or not) introduce an important variable to be considered by the SAI in watching over local production conditions and in the adoption of good productive practices since, in this way, risks generated by one country can be transferred to another.
3. All countries recognise this reality and indicate the limitations imposed by the absence of a regulatory framework allowing the responsibilities derived to be established, together with the imperfection of the economic instruments for valuing the environmental costs derived from economic development. As a consequence, cooperation between countries and, particularly, between the SAI is fundamental in contributing to reversing the global environmental deterioration processes.
4. Many international agreements have been reached by our countries. The Twenty-first Agenda prepared in Rio de Janeiro ten years ago, whose success will be evaluated next month in Johannesburg, the Kyoto Protocol, the Montreal Convention, the MARPOL or the RAMSAR Convention, only to mention a few, show that, in spite of the good intentions of governments, the results in many cases can be qualified as poor. There is still a great difference between words and actions, in some cases derived from the intervention of the interested groups.
5. The SAI present state their concern over the fact of there being over 150 international agreements on environmental matters, committing very important amounts of public resources, without there being any knowledge on the results of the greater part of these, making the development of common instruments that allow for the follow-up and evaluation of their application and results essential.

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6. The global regulatory framework (conventions and treaties) requires the environmental audit to adopt universally accepted technical standards, together with the signing of agreements for cooperation between the different SAI for their follow-up and evaluation, as has been occurring in the member countries of the EUROSAI and, more recently, between the SAI in Latin America and the Caribbean.
7. The environmental crisis suffered by the planet (particularly due to the contamination and pollution of the natural environment, the vulnerability of the ozone layer, the exhaustion or depletion of the water available, together with the loss of flora and fauna genetic resources) present an urgent need for all the SAI to include the environmental side in their examination of public management, for which the SAI have worked individually and collectively on possible instruments and methodologies, knowledge of which is essential for others through the exchange of experiences and information.

RECOMMENDATIONS

1. The SAI's, both EUROSAI and OLACEFS, have working groups on environmental issues that recently approved their respective plans for the 2002 – 2005 period and which must be strongly supported by the SAI involved in their execution, as a privileged way of exchanging information and methodologies for environmental auditing and for control and surveillance of common environmental resources, particularly in international river basins, sea pollution and protection of wetlands, among others.
2. The execution of the work plans will allow the development of environmental auditing pilot programmes and the standardisation of methodologies, allowing integrated auditing that involves different analysis perspectives, since environmental policy and management involve all the sectors of the State and even private actors that escape direct control by the SAI's, unless this is by means of exercising control of the control.
3. Given the importance historic and cultural assets have for our societies as a consubstantial part of nationality, watching over their conservation and protection must be included in the control tasks of the SAI's.