



Significance of UN Resolution A/66/209 on SAI Independence

Budapest, 28 March 2014

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functions of SAIs – at a glance

- **provide independent and reliable on government spending and operations**
- **facilitate transparency and public accountability**
- **strengthen parliaments in their oversight and control function**
- **serve as cornerstones of good governance and functioning of state**

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basic requirements – fulfilment of SAI's tasks



- efficient, effective and high quality performance of public audit tasks
- protected from any form of outside influence
- credibility of performance
- independence of SAIs from government guaranteed by law and enshrined in constitution (see Declarations of Lima (1977) and Mexico (2007))

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UN Resolution on SAI independence (1)



**Resolution A/66/209 approved by UN
General Assembly, 22 December 2011:**

***„Promoting the efficiency, accountability,
effectiveness and transparency of public
administration by strengthening supreme
audit institutions“***

(Initiative of INTOSAI-General Secretariat 2008: supported by INT-Gov.Board (2009), INCOSAI (2010) as well as by UN-CEPA, UN-ECOSOC, UN-Panel of External Auditors)

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UN Resolution on SAI independence (2)



The General Assembly of the United Nations explicitly recognizes:

- SAIs can accomplish their tasks objectively only if independent of the audited entity and protected against outside influence;
- important role of SAIs in promoting efficiency, accountability, effectiveness and transparency in public administration;
- SAIs are conducive to the achievement of development objectives including the Millennium Development Goals;
- the importance of works of SAIs and of INTOSAI;
- the importance of the Declarations of Lima and Mexico.

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UN Resolution on SAI independence (3)



UN Member States are encouraged to:

- apply the principles set out in the Lima and Mexico Declarations and to
- continue and intensify their cooperation with INTOSAI in order to promote good governance;

significance for donors:

- base for intensified programmes for application of principles of SAI-independence

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Eight pillars of SAIs' independence - overview



pillars of independence represented by eight principles of Mexico Declaration (INCOSAI 2007):

- legal status
- heads of SAIs
- operations
- access to information
- reporting audit results
- content and timing of audit reports
- follow-up
- resources

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Eight pillars - (1): legal status



principle 1:

existence of an appropriate, effective legal framework that spells out the extent of SAI independence

-e.g. Austrian Federal Constitution (ACA-specific chapter VI) lays down explicitly the juridical condition of ACA – it is independent of the Federal Government and the Government of Provinces (Laender) and subject only to provisions of law.

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Eight pillars – (2): heads of SAIs



principle 2:

independence of SAI heads and members, including security of tenure and legal immunity in the discharge of their duties

-e.g. ACA's President is elected by National Council, term of 12 years, re-election not possible; can only be removed by means of a procedure independent of government authorities

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Eight pillars – (3): operations



principle 3:

sufficiently broad mandate and full discretion in discharge of SAI functions

-e.g. ACA's mandate = auditing accounts, financial management and operations of the State: federal government, province governments, municipalities (at least 10,000 inhabitants), associations of municipalities, funds, enterprises (at least 50% public stake or predominant position, statutory professional representative bodies; central bank, bank supervision authority; hospitals, universities ...

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Eight pillars – (4): access to information



principle 4:

granted unrestricted access to information

-e.g. in case of ACA: principle realized in Federal Act on the Austrian Court of Audit - all audited entities have to cooperate with ACA and provide it with any information requested for purpose of particular audit (records, business documents, contracts, pieces of correspondence ...)

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Eight pillars – (5): reporting audit results



principle 5:

right and obligation to report on SAIs' work

-e.g. in ACA's case: Federal Constitution lays down that ACA should report at least once a year on the audit results; ACA has right to produce audit report more often (= *current practice*) and report at any time (= *current practice*) its observations to the National Council

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Eight pillars – (6): content, timing



principle 6:

freedom to decide the content and timing of audit reports and to publish and disseminate them

-e.g. as laid down in Federal Constitution, ACA has the right to submit at time its reports to the National Council simultaneously informing the Federal Chancellor of every report; reports shall be published after submission to National Council

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Eight pillars – (7): follow-up



principle 7:

existence of effective follow-up mechanisms on SAI recommendations

-e.g. ACA (due to its own Strategic Plan) evaluates if recommendations of previous year have been implemented and assesses their effects; result of this survey are published in annual activity reports; after that and additionally, specific „follow-up“-audits are conducted in order to verify status of implementation in practical terms.

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Eight pillars – (8) resources



principle 8:

**financial and administrative autonomy;
availability of appropriate human, material
and monetary resources**

-e.g. Federal Constitution lays down: ACA's President is entitled to participate and speak in National Council (regarding matters of ACA's budgeting and respective subdivision of Federal Finance Bill); all personnel matters of ACA shall be managed independently: President of ACA can appoint officials (auditors) and auxiliary personnel

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Activities to promote UN Resolution A/66/209 (1) - goal



series of activities of

- INTOSAI General Secretariat and
- Austrian Court of Audit (ACA)

goal:

to disseminate and to promote messages of UN Resolution A/66/209 in order to strengthen external public audit function, thus emphasizing the independence of SAIs

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Activities to promote UN Resolution A/66/209 (2)



communication provided for national follow-up measures by national SAIs

- joint letter informing about UN Resolution by INTOSAI Secretary General as well as Secretaries General and Chairs of respective Regional Working Groups to all INTOSAI members
- sample letter provided to national SAIs to be adapted to the national context in order to approach national stakeholders
- independence folder including the UN Resolution sent to all INTOSAI members

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Activities to promote UN Resolution A/66/209 (3)



national follow-up measures

- workshops organized by national SAIs to improve their national legislative situation (e.g. SAI of Vietnam)
- broad information activities of INTOSAI members in their national context already leading to notable improvements (e.g. SAIs Malaysia, Samoa, Tanzania)

regional follow-up measures

- INTOSAI General Secretariat communicated the UN Resolution through all Regional Working Group meetings (2012/2013) to national SAIs

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Activities to promote UN Resolution A/66/209 (4)



international follow-up measures of the INTOSAI General Secretariat

-UN High-Level Panel Discussion on safeguarding financing for sustainable development, May 2013, N.Y.

-more than 100 participants from 60 countries; keynote speaker INTOSAI Secretary General on the role of SAIs in sustainable development of public finances

-meeting of INTOSAI Secretary General with UN Secretary General Ban Ki-Moon and ECOSOC Vice President Martin Sajdik, October 2013, N.Y.

-topic: possible involvement of INTOSAI in the UN process to establish the Post 2015 Development Agenda

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INTOSAI key messages promoting UN Resolution A/66/209 (1)



key messages of INTOSAI Secretary General (I):

-strengthening transparency of public finances and accountability of public financial management is a precondition for sustainable development

-SAIs can contribute to sustainable development in this regard but need an adequate framework

-UN Resolution A/66/209 on strengthening SAI independence needs to be implemented in order to create this adequate framework at national level

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INTOSAI key messages promoting UN Resolution A/66/209 (2)



key messages of INTOSAI Secretary General (II):

- INTOSAI is willing to contribute to the development of the Post-2015 Development Agenda on Sustainable Development at UN level
- SAIs can contribute to sustainable development, if they are independent from audited entities
- independence-preconditions stipulated in Lima and Mexico Declaration still need to be implemented

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INTOSAI key messages promoting UN Resolution A/66/209 (3)



key messages of INTOSAI Secretary General (III):

- implementation of the principles of SAI-independence should be elements of the UN Post-2015 Development Agenda
- therefore, it would be advisable to involve INTOSAI in the elaboration of the Post-2015 Development Agenda
- INTOSAI is willing and capable to contribute by bringing in its experience with regard to the necessities for SAIs to fulfil their audit tasks properly

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prospect activities



- **INTOSAI is going to be invited to make a contribution to the process establishing the UN Post-2015 Development Agenda**
- **core message: implementation of the UN Resolution A/66/209 and the preconditions for SAIs' independence should be essential elements of the UN Post-2015 agenda for sustainable development**

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summary & conclusion



- **Resolution A/66/209 = milestone success for external public auditing**
- **crowning achievement of common efforts of all INTOSAI member SAIs**
- **for the first time, INTOSAI recognized as an international organisation on the highest level of the UN**
- **active interaction with parliaments, the media, the public, and other relevant stakeholders required to further promote content of Resolution**

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The background of the slide features a grid of numbers in various shades of blue and grey. In the top left corner, there is the INTOSAI logo, which consists of a globe with the text 'INTOSAI' above it and 'INDEPENDENT AUDITORS OF THE WORLD' below it. To the right of the INTOSAI logo, the word 'finally...' is written in a bold, black, sans-serif font. In the top right corner, there is the logo for 'Der Rechnungshof', which consists of the letters 'R' and 'H' stacked vertically, with 'Der Rechnungshof' written to the right and 'Unabhängig. Objektiv. Wirksam.' written below it.

finally ...

**Der
Rechnungshof**
Unabhängig. Objektiv. Wirksam.

Thank you for your attention !



A blue banner with the INTOSAI logo on the left and a world map on the right. The text 'INTOSAI' is at the top left, and 'ENGLISH FRANÇAIS DEUTSCH ESPAÑOL' is at the top right with a right-pointing arrow.

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