

Cour des comptes



EUROSAI GT1  
SEMINAR ON INDEPENDENCE  
March 28th, 2014

*Main ideas and Lessons for the future*  
*A tentative summary – as an addendum to the GT1' survey*

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## FIRST ROUND TABLE

The prerequisites of independence



## GENERAL ISSUES

- Necessary inscription of the SAI mandate and independence in the Constitution or highest level of law
- Necessary limitations of political influence regarding the nomination and mandate duration of the SAI Head to avoid collusion risks
- Necessary focus on rules against conflict of interest (possible need for international standards regarding declarations of interest)



## NEW CHALLENGES

- There may be new developments that affect our authority to perform our tasks ; reality is moving on while we are standing : no independence without power and authority
  - Necessary enlargement of the SAI mandate (for ex : charities ?)
  - Clear rules needed regarding audit of the public/private sector : what to do when public funds are involved but (co-) managed by private sector ? What thresholds ?
  - No independence without access to data : new challenge regarding digital databases
  - New international obligations or mechanisms (ex : central bank, international operations and stakeholders...)
- Impact of the financial crisis :
  - Oversight by IMF and heightened interest by public on how the money is used
  - New ways of selecting SAI Heads and staff (new areas of expertise : on banks for ex)

We have to be independant *from* and *to* (*be able to*)

➔ New tasks should mean new powers ; new challenges, new answers :  
ressources and tools



## SECOND ROUND TABLE

The consequences of independence in  
terms of real capabilities



## GENERAL ISSUES

- Necessary liberty of :
  - programming (including possible but limited requests from Parliament and Executive)
  - drafting conclusions
  - and publishing
- Necessary financial independence without budget reduction and limited involvement of the Executive in determining salaries of auditors



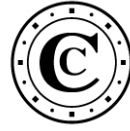
## NEW CHALLENGES

- Critical masse of ressources : prioritisation of expertise and possible need for private sector auditors – implying strict rules of recruitment
- Added value for the citizen : an increasing need for communication through direct and indirect means
- The audited auditor ? Who should monitor us ?
  - Private audit firms ?
  - Parliamentary Commitees ?
  - Other public bodies ?
  - Peer reviewers ?

Not only the *word* but the *thing*



Statutory situations may vary form one country to another according to history but we must all « prove our independence » and respect a transparency/ exemplarity principle



## THIRD ROUND TABLE

The roadmap to (more) independence





## GENERAL ISSUES

- Priorities for public financial management are constantly evolving – focus on public spending
- Better applying the ISSAIs
- ...a progressive process linked to historical backgrounds (hence the diversity of « models » - audit offices and judicial organizations...)



## NEW CHALLENGES

- Transfer of competences at the EU level and possible audit gaps
- Accepting new tasks (new economic, fiscal etc frameworks) *AND* maintaining resources for auditing (new fees for services ?)
- Improving quality of the risk analysis process / the final reports for more demanding stakeholders



The « unstable » and fragile independence, always to be preserved  
Independence *at the service of* the citizen : public financial accountability must remain our core objective (audit as a means towards an end – not an end in itself)



## IF YOU REMEMBER...THREE QUESTIONS, A PROGRAM

➔ ARE EUROPEAN SAIS IRREPROACHABLE ?

*Certainly not, independence as a tension and not a result*

➔ WHAT WOULD BE THE IDEAL SAI ?

*The best features of each model ?*

➔ WHAT POSSIBLE ROADMAP ?

*Vigilance, benchmark and movement*



**MIND THE GAP!**

**BETWEEN**

**FORMAL - THEORETICAL**

**AND**

**REAL – PRACTICAL**

**INDEPENDENCE**



What now ? Do not hesitate to transmit all requests and/or ideas (new activities, surveys etc.) to GT1...  
Membership is open to all : please indicate your willingness to participate for 2014-17 before la Hague Congress.