

Terms of Reference for the EUROSAI Climate Project Group

1. General provisions

1.1 Name of the Project Group: Climate change: emerging issues for audit

1.2 Background and objectives of the Project Group:

Background

- Climate change brings major risks for the public sector, and governments' approaches are developing rapidly. It presents particular challenges for auditors because of the complex, widespread & long-term changes it involves, with links to wider emerging issues of auditing resilience.
- This grouping provides a regular and informal network to support the topic of auditing climate change.

The objectives of the project group are to support:

- **Horizon scanning:** to build our collective understanding of climate change developments that could affect risks for government and our audits
- **International benchmarking:** to build our collective understanding of where there might be good practice in how governments' approach their climate obligations, and in how they identify and respond to climate risk
- **Networking:** a regular and informal opportunity to colleagues in other SAIs working on climate change

1.3 Link with EUROSAI Strategic Plan:

The nature and aims of this Project Group are aligned with the EUROSAI Strategic Plan 2024-2027, specifically the Emerging issues strategic portfolio, led by SAI UK. The key drivers of the portfolio are the profound and rapid changes in the operational environment we all face and need to address in our work. The objective of the portfolio is to highlight emerging issues in the work of EUROSAI and its members, to give support to strategic level discussions and to collect information for the Governing Board and EUROSAI Members.

1.4. Strategic Goals: This project group is established under the Emerging issues strategic portfolio, led by SAI UK. It is supported by the EUROSAI Working Group on Environmental Auditing. The project group will also contribute to Strategic Goal 1: 1. Supporting effective, innovative and relevant audits by promoting and brokering professional cooperation; 2. Helping SAIs deal with new opportunities and challenges by supporting and facilitating their institutional capacity development. 3. To facilitate the sharing of knowledge and experience within EUROSAI and with external stakeholders and partners.

1.3.2. No duplication or overlaps with other activities of the EUROSAI Strategic Plan: The project leads work closely with of the EUROSAI Working Group on Environmental Auditing to ensure there is no duplication or overlap.

2. Structural provisions

2.1 Lead SAIs:

European Court of Auditors (Co-Chair) UK National Audit Office (Co-chair)

2.2 Contact person(s):

European Court of Auditors: Joanna Kokot (Joanna.kokot@eca.europa.eu)

UK National Audit Office: Katy Losse (katy.losse@nao.org.uk)

Please cc the following multi-user mailboxes: International@nao.org.uk

2.3 Participants:

The project group is open to all EUROSAI members. SAIs should contact Deanna Neesham (deanna.neesham@nao.org.uk if they wish to join or take part in particular meetings)

3. Technical and procedural provisions

3.1 Intended results and benefits to EUROSAI Membership

The group will support SAI's horizon scanning, international benchmarking and networking on auditing climate change.

3.2. Duration & Key Milestones:

- The group will run for a year at a time
- Each January the Co-Chairs will make a recommendation about whether to continue it for another year, based on the appetite among participants for it to continue, whether the group continues to serve a valuable function, and if they have the capacity to continue to support it

Further work to be agreed by the project group.

3.3 Working Methods:

- 3 short meetings a year (around 1.5 hours each)
- Held virtually
- Active participation encouraged: agenda and papers shared in advance
- The project group is inclusive and will encourage a diverse group of SAIs to share their knowledge and experience. These different experiences will help us strengthen our audit work.

3.4 Necessary resources:

European Court of Auditors and SAI UK will provide staff to coordinate the group.

4. Accountability provisions

The project group is established to achieve the objectives set out in this TOR. The group will report on progress and results to the EUROSAI Governing Board via the Portfolio on Emerging Issues reporting process at Governing Board meetings, following the procedure defined in the General Procedures for the ESP.

The members of the project group will develop and maintain an operational plan of activities that different SAs find of value. The project group will review its activity annually and to ensure transparency on progress, results and trigger course corrections if the group is not adding value to its members. This project group will be closed if it is agreed by the majority of participants that after correction the group no longer adds value to its members.