

THE EUROSAI TASK FORCE ON AUDIT AND ETHICS (TFA&E): LATEST DEVELOPMENTS

The SAI of Portugal

Chair of the EUROSAI Task Force on Audit & Ethics



1. The 2014-2017 TFA&E mandate and working plan

The IX EUROSAI Congress, gathered in the Hague in June 2014, decided to extend the TFA&E mandate for the period 2014-2017. This decision followed a proposal made by the Task Force members. Having discussed the issue, they considered that, while the projects included in the TFA&E 2012-2014 working plan had been fulfilled, the progress made and the expectations raised showed also that important work could be further conducted.

The TFA&E observed that initiatives and practices to manage and audit ethics in European SAIs are still very asymmetric and that some SAIs are developing practices and methods in the field, which means that exchanging experiences and producing guidance still seems promising and enriching. On the other hand, the ISSAI 30 review process

appeared as an important opportunity to contribute to ISSAI development and strengthening. Furthermore, several SAI expressed the need and interest that the TFA&E further explores ways in this subject area.

To meet the interests raised in SAIs and the commitment of the TFA&E members to go further and provide a sustainable response to them, the TFA&E renewed mandate was supported in the 2014-2017 working plan, including two main goals:

- **Goal 1:** Promote ethics as a pillar of SAIs.
- **Goal 2:** Promote ethical conduct in public organisations through the SAIs' activities.

Within the first goal, the TFA&E objectives intend to:

- Raise awareness on the importance of ethics as a key pillar of SAIs, focusing notably on leadership role, on implementation practices and on people.
- Strengthen the ethics' monitoring and control systems in SAIs.





- Monitor SAIs' ethical frameworks and practices as a tool for improvement.
- Follow and support the work of ISSAI 30 review and IDI¹.

As concerns the second goal, the objectives of the TFA&E are to:

- Issue common guidelines to audit ethics (integrity).
- Raise awareness and encourage SAIs to audit ethics related issues.
- Monitor SAIs' ethics related audit practices.

As common objective for both goals, the TFA&E will disseminate progress both to EUROSAI Members and to other INTOSAI Regional Working Groups.

2. Promoting ethics as a pillar of SAIs

To promote ethics as a pillar of SAIs, the TFA&E has decided to use all the possible opportunities to raise awareness on ethics' issues. With that purpose, and adding to the earlier events (namely the seminar "*Enhancing Ethics within SAIs*", held in Lisbon in January 2014), workshops on ethics have been conducted in the EUROSAI Congress 2014 (The Hague), in the EUROSAI-OLACEFS Conference 2015 (Quito) and are also planned for the YES Conference 2015 (Jerusalem).

The Task Force has also realized that it could use the occasion of the meetings to spread its

message within the hosting SAI. Thus, both in the 2014 meeting, in Romania, and in the 2015 meeting, in Italy, meetings with colleagues from those SAIs were held. Information on the TFA&E activities and products was given to their members, management and auditors. In Rome, interactive group sessions were organised, so that Italian colleagues could give their opinion on the importance of ethics issues in their organisation as well as provide inputs for the TFA&E work.

Following the workshop held in the 2014 Congress, where leaders from SAIs were invited to discuss the issue, the TFA&E has produced a document on "*The importance of ethics leadership*", identifying the important leading and management attitudes and initiatives to make sure ethics is a key pillar of SAIs. This document is available in the TFA&E website and has based several activities of the Task Force, namely the contributions for the ISSAI 30 review process.

Work on preparing ideas for videos to raise awareness on ethics as well as guidance to strengthen the ethics' monitoring and control systems in SAIs is in progress. Some of the planned tasks, such as the videos and an electronic forum, will depend on available resources and tools, namely an electronic platform to be used by EUROSAI.

The activity under Goal 1 has been quite dependent and interrelated with the review of ISSAI 30. Several members of the EUROSAI TFA&E (SAIs of Albania, Hungary, Poland, Portugal and The Netherlands) have been actively and intensively participating in this review. The new ISSAI 30 exposure draft will include requisites and guidance, both to SAIs and staff, which are aligned with the main TFA&E work conclusions (notably the organisational responsibilities of SAIs to reduce risks of unethical behaviour: see "*Ethics within SAIs*" TFA&E papers). This has represented important work for these members and, at the same time, will set the basis for some of the main projects included in the current TFA&E working plan.

¹ IDI: INTOSAI Development Initiative.

3. Promote an ethical conduct in public organisations through the SAIs activities

To implement Goal 2 of its working plan, and following the research earlier developed through the first TFA&E survey, the seminar *Auditing Ethics* (Luxembourg, 2013) and the paper issued by the Task Force in 2014, the TFA&E has organised several workshops:

- Workshop at the EUROSAI Congress 2014, in the Hague: *"Value for money in ethical mirror through public procurement process"* (SAI of Croatia).
- Workshop at the EUROSAI-OLACEFS Conference 2015: *"Transparency, Audit and Ethics"* (SAIs of Portugal, Croatia, Israel, Peru and Argentina).
- Workshop at the SAI of Italy, on the occasion of the TFA&E 2015 meeting (SAIs of Croatia, Israel and UK).

The TFA&E has also conducted a new survey on practices of SAIs in auditing ethics related subjects and on tools that they are using to perform it. The results of this survey will be analysed and presented soon.

A seminar about *"Methods and Measuring Tools to Audit Ethics"* is being organised to be held in Ankara, Turkey, in 26-27th November 2015.



It will be hosted by *TC Sayıştay* and will gather European SAIs' representatives and experts from SAIs of other Regions (OLACEFS and AFROSAI-E), from the European Confederation of the Institutes of Internal Auditors (ECIIA) and from the Turkish administration.

In this seminar, TFA&E members and other representatives will have the opportunity to exchange and compare their views and approaches, be familiar with the several possible methods to audit and measure ethics controls, learn from the experiences in implementing those methods and, ultimately, discuss and make progress on the structure and content of the common guidelines to be drafted by the TFA&E.

The TFA&E invites all colleagues to consult its events, reports, documents and products on its website: <http://www.eurosai-tfae.tcontas.pt>.