

EUROSAI contribution to Good Governance and reliable auditing of the public sector by modern SAIs

SAI of Slovakia experience

EUROSAI is the youngest among the INTOSAI regional working groups. Established in 1990 at the 1st EUROSAI Congress in Madrid, the then Ministry of Control of the Czechoslovak Federative Socialist Republic was one among 30 EUROSAI founding members. The SAI of Slovakia joined EUROSAI in 1993 and over the time, it became an active member of this professional body.

Throughout its historically relatively short life in the modern era (though the function of audit or institutional control is more than 250 years old in Slovakian geographical space), the SAI of Slovakia strives to add value to the concept of good governance within the country and uses this knowledge for the benefits of the society at home as well as in the external surroundings, within EUROSAI or INTOSAI.

The governments in general were, and still are, usually looking for innovative and cost effective responses to address the policies challenges. Lately, in the last few decades, the fiscal space was eroded and is being reduced under the weight of the present and growing economic, social, financial and environmental crises. The governments throughout the globe are addressing fundamental issue how to maintain, if not restore, trust in public institutions in order to address the above mentioned negative aspects of the contemporary society.

Through their work and products, the supra national bodies like OECD, European Commission or UN suggest the SAIs represent source of impartial information that provide base for holding the national governments to accountability and demonstrating the governments' performance in the view of economy, effectiveness and efficiency that in turn would serve as a proof of good governance. Good governance could, for example, eliminate or at least reduce corruption, bribery, theft and tax evasion that come in the developing countries to some USD 1.2 trillion per year (estimate by the UNDP).

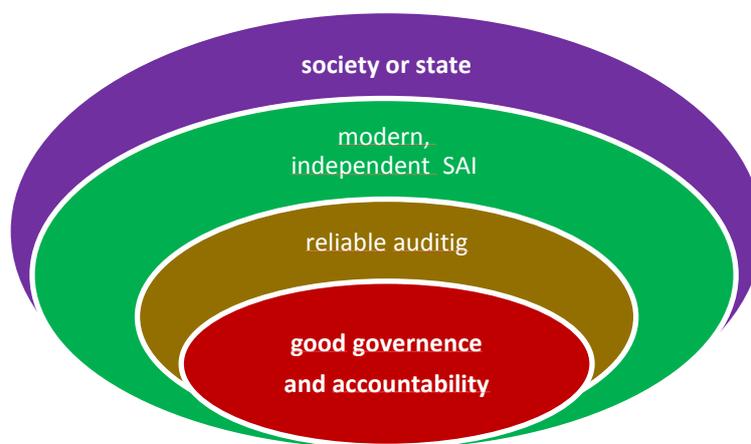
In an often cited quote, the former UN Secretary-General Kofi Annan noted in 1998, that “good governance is perhaps the single most important factor in eradicating poverty and promoting development”. But what is good governance in essence?

The notion of good governance is nothing new. It also could be really elusive and effervescent phenomenon at the same time. It might mean different thing to different actors. Bad governance is, along the corruption and nepotism, often cited as a root reason for what is wrong within our societies as far as from the Stone Age time.

There are many criteria for good governance, but it appears there is some agreement on some of the most prevalent ones as:

- Decision making process – should be transparent, inclusive and consensus driven;
- Decisions taken - should be non-discriminatory and equitable responding to real needs;
- Decisions execution – should be economic, efficient and effective and according to law; and
- Decision execution makers – should be accountable for their actions.

Adherence to these criteria should be assessed, but who could be able to provide this quality information to the citizens? Wealth of different works point to SAIs in this direction and that could be depicted in the figure below:



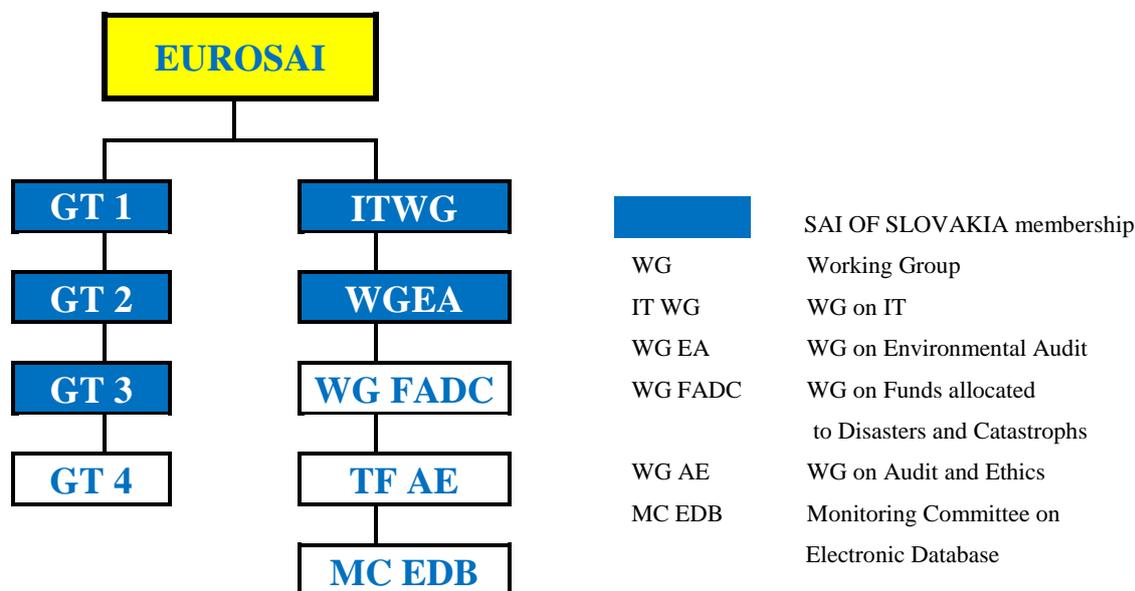
Simplifying the scheme, if the society or state wishes to provide good governance and sound accountability, it should be done by modern and independent SAI applying reliable auditing.

The UN has in its two resolutions A/66/209 and A/RES/69/228 underlined the indispensable role of the truly independent SAIs achieving the UN post-2015 development agenda by turning the 17 Sustainable Development Goals (SDGs), especially the Goal 16 – Peace and Justice – into opportunities to make the national SAIs to contribute to the national and global development. Especially collaboration among SAIs at national and regional working groups could provide tangible results in reviewing and monitoring the SDGs. The SDGs also represent impetus to increase SAIs independence and capacity building efforts. INTOSAI is giving priority to the SDGs goals as it is apparent from the INCOSAI 2016 and the agenda of the November 2015 INTOSAI Governing Board meeting in Abu Dhabi when the SAI of United Arab Emirates holds a preparatory meeting, especially on Theme I – “How INTOSAI can contribute to the UN post 2015 agenda including good governance in order to strengthen the fight against corruption?”. And that is where the INTOSAI regional working groups’ e. g. EUROSAI’S role comes to equation.

SAI of Slovakia is active EUROSAI member in its GT 1 (Goal Team 1 – Capacity Building), GT 2 (Goal Team 2 – Professional Standards) and GT 3 (Goal Team 3 – Knowledge Sharing) working groups since their establishment in 2011 when the EUROSAI first Strategic Plan was introduced. It also has its representatives in WGIT (Working Group on IT) and WGEA

(Working Group on Environmental Audit). These mentioned working groups follow the EUROSAI Strategic plan, and their products can be viewed on the EUROSAI web page www.euro Sai.org.

The SAI of Slovakia’s membership in various EUROSAI working groups is depicted below:



The GT 1 aims to facilitate development and strengthen institutional capacity of EURSAI members. It works towards expanding the knowledge and dissemination of international activities and good practice. The GT 1 member, SAI of Slovakia, is the INTOSAI Sub-Committee on Peer Reviews’ chair, ISSAI 5600 revision being one of the main tasks. In this position, SAI of Slovakia has opened cooperation with the SAI of Austria, leader of the 2016 global project on peer review on independence, when it was asked by the SAI of Austria to review the project final outcome. The results of this peer review will be widely known to the whole INTOSAI community in due time in 2016. GT 1 member SAI of Slovakia is also going to contribute to the peer review agenda by organising a global conference or workshop on peer review and related assessment tools (pending the interest expressed by the INTOSAI, EUROSAI and other regional working group members) in 2017.

Goal Team 2 has been set up to support EUROSAI members in implementing the ISSAIs by organising seminars and workshops to provide advice, share experiences and identify good practices. The ISSAIs are the main source of good practice. EUROSAI has therefore adopted “Knowledge Sharing” as the third goal within its Strategic Plan for 2011-2017. The Goal Team 3 aims to improve the sharing of knowledge, information and experiences among its members and external partners.

The Slovak SAI actively participates in the EUROSAI Goal Teams and supports their activities towards achieving their goals. At the present, its representatives cooperate closely in preparing the ‘Seminar on implementation the ISSAI 300 - Fundamental Principles of Performance Auditing’, planned for November/December 2017 in Bratislava, Slovakia. The seminar purpose

will be experience sharing on ISSAI 300 implementation in performance auditing and follow-up the “The seminar on the use of the performance audit guideline” organised in December 2013 in Bonn, Germany. The seminar is designed for performance auditors and staff of methodology departments. The open format of the event encourages participants to draw on the lessons learnt by other SAIs.

The EUROSAI IT Working Group (ITWG) aims to further the institutional sharing of expertise and experiences among SAIs in the European region, encourage the implementation of joint activities, stimulate European SAIs to explore strategic consequences of IT-related developments, promote cooperation in the design of IT related audits, and promote cooperative audits.

SAI of Slovakia is an active member of the EUROSAI ITWG (chaired by SAI of Poland). The SAI of SR participates in *Control space of e-Government* project that aims to provide audit designers with results of similar audits carried out by other SAIs along with lists of the most interesting findings and with ready to use questions related to risks. A tool called “The CUBE” is being developed – an “intelligent” internet database of e-government audit reports from various SAIs worth exploring.

In 2012 SAI of Slovakia carried out ITSA (Information Technology Self-assessment) that assesses maturity of the IT systems; and in 2015 ITASA (Information Technology Audit Self-assessment) was performed. Both ITSA and ITASA are IT WG products.

SAI of Slovakia also contributed to the wealth of the EUROSAI common experience and knowledge by being active in the Working Group on Environmental Audits (WGEA). Over the period, it participated in 18 cooperative audits and their results were shared by varied channels with the rest of the EUROSAI community that could draw inspiration and good practice from the audits.

In the EUROSAI active years, the SAI of Slovakia continued to promote, expand, share and disseminate its acquired knowledge, experience and good practice by its participation in international activities within the EUROSAI community. Such learning path is two-way road and SAI of Slovakia also gained abundance of valuable inputs for its own work. The international professional community assembled within the EUROSAI is contributing to good governance throughout the region and it should continue doing that as the individual elements were laid down and already are formed into solid stepping stones. They just need proper and careful maintenance and innovative management. And EUROSAI is certainly in the position to fulfil such task.