



## **Minutes of the 6th Meeting of the INTOSAI Working Group on Environmental Auditing in Cape Town, South Africa**

**Participants:** attachment 1 contains a list of delegates

**Not present with notice:** SAI of Chile, SAI of Colombia, SAI of Costa Rica, SAI of El Salvador, SAI of Estonia, SAI of Iran, SAI of Jordan, SAI of Kuwait, SAI of Libya, SAI of Malta, SAI of Paraguay, SAI of Peru, SAI of Sri Lanka

### **Tuesday 11 April 2000, Working Session A**

#### *1. Opening*

The chair welcomes all delegates to the 6th Meeting of the INTOSAI Working Group on Environmental Auditing, especially the delegates of SAIs that are attending the meeting for the first time. Mrs. Stuiveling thanks the South African Office of the Auditor General for hosting the meeting.

#### *2. Agenda and Minutes*

All delegates approve of the agenda of the meeting.

No one has additional comments on the draft minutes of the 5th Meeting of the Working Group in Lima, Peru. The minutes are adopted.

#### *3. Organisational aspects of the regionalisation strategy*

All regional co-ordinators of the Working Group shortly present the progress that has been made in their region.

#### **AFROSAI**

Mr. Bhana of the SAI of South Africa presents the developments to assist in the launch of environmental auditing within Africa. A regional start-up team is in place, consisting of the SAIs of Cameroon, Egypt and South Africa. An action plan is adopted. Ten African SAIs have expressed an interest in joining the Working Group. Though the Working Group has members of three language groups, the Working Group is conducted in English. With the support of the Swedish SAI, a first seminar on environmental auditing was held and a Technical Workgroup was established linked to Southern African Development Community Supreme Audit Institution (SADCOSAI). The Technical Workgroup is developing a homepage and discussed the issue of the mandate. Important environmental issues for the region are wild life park management and fresh water. The technical Workgroup now collects the strategic audit plans of the various regions to review them, and supports the implementation of environmental audits into the various regions.

The South African SAI itself published an audit report concerning Sea Fisheries. A report concerning Fresh Water is currently being finalised. In all comprehensive audits, the South African SAI includes environmental aspects.

#### ARABOSAI

Mrs. Labib of the SAI of Egypt presents the establishment of the ARABOSAI Regional Committee for the Environmental Auditing in March 1999. The Committee has 7 members now. The first meeting was held in March 2000 to set the draft objectives and how they can be achieved. At this meeting, the Working Plan of the Committee was ratified. It was decided to prepare a draft questionnaire for all ARABOSAI members. The chair (SAI of Egypt) will contact various organisations concerned with environmental auditing to collect available documents.

#### ASOSAI

Mr. Shin of the SAI of Korea explains that in August 1999, a resolution was adopted by the ASOSAI Governing Board to establish the ASOSAI Working Group on Environmental Auditing. A start-up team was composed of three SAIs, Korea as Trekker and Japan and India as sub-coordinators. A draft workplan and a questionnaire are sent to all ASOSAI-members. Until now, fifteen SAIs in the region have expressed their intention to join the ASOSAI Working Group. Future activities to support the further development of the Working Group consist of establishment of a human network, construction of a homepage and organising a first meeting in July or August 2000.

#### EUROSAI

Mr. Wesolowski of the SAI of Poland presents the progress that is made in Europe. Twenty-five SAIs are formal members of the EUROSAI Working Group. There are four sub-coordinators, namely the SAI of Romania, the SAI of Norway, the SAI of the Netherlands and the SAI of Malta. A working plan was formally approved in April 1999, and contains five audit topics and the following activities: developing a Working Group strategy, looking for new members, organising periodical sub-coordinators meetings, exchanging and disseminating information (mainly via homepage). Moreover the substantive core activities are: initiating international environmental audits and exchanging experiences by way of developing brief audit information and organising methodological training. An outline for the first methodological workshop is developed and a short regional questionnaire is sent to all EUROSAI-members.

Audits that are currently being conducted in the region are: international audit of the OSPAR convention (Denmark, Iceland, Norway), international air pollution (Poland, Czech Republic, Lithuania), international implementation of the Helsinki convention (Poland and all Baltic countries), MARPOL (Netherlands and UK), Black Sea convention (Romania and other countries in the Black Sea region) and the Sofia Convention regarding the Danube (Romania and other Danube countries).

As a subtrekker, Norway organised a seminar on environmental audits in October 1999, in which six SAIs participated.

This autumn, the first Working Group meeting will be held in Warsaw.

#### OLACEFS

Mr. Granje E Barros of the SAI of Brazil speaks about the arrangements made by the SAI of Brazil, Trekker of the Environment Working Group of OLACEFS. An Environment Special Technical Commission Strategy and 1999-2001 Working Plan has been adopted after consultation with the members of Working Group. Seven SAIs are involved in executing the various activities of the workplan. The exchange of information by the gathering of basic information by a questionnaire and the transference of information via internet; the SAI of Brazil has offered an environmental auditing course through the internet and the possibility of future courses on larger scale will be analysed. The relevant environmental problems in the

region are identified and two environmental related guides are elaborated. The SAI of Peru has made an effort to erect a regional Working Group in the Caribbean (CAROSAI). CAROSAI has not yet expressed a clear position on the creation of such a Regional Working Group. Within the Working Plan the SAI of Peru is responsible for the activities concerning 'Co-operation on Environmental Audits'. The 'Alpha and Beta' Environment Management Audit Project was implemented with participation of six SAIs in the region: Colombia, Panama, Chile, Mexico, Nicaragua and Brazil. For this year two international environmental audits are planned: the 'Sigma Project' (Industrial and Fishing Sectors of the Chimbote City) and the 'Kappa project' (Piura and Tumbes River Basins).

#### SPASAI

Mr. Pinckard of the SAI of New Zealand explains that many SPASAI members have expressed their interest in the area of environmental auditing but a combination of limited mandate and/or capability has restricted their involvement. The SAI of New Zealand intends to raise the issue again at the SPASAI Congress 2000 in Sydney. The SAI of New Zealand itself has developed and adopted a 'position statement' with respect to its role and commitments to environmental audit issues. Also it has published two reports: on Information requirements for the sustainable management of fisheries and on Local government environmental management. Currently The SAI is working on an audit of four Multilateral Environmental Agreements (see also point 5 of the Minutes).

#### CANADA / USA

Mr. Cluskey of the SAI of Canada and Mr. Elstein of the SAI of the United States explain that since there is no official INTOSAI region that their SAIs belong to, Working Group activities are a bilateral affair between Canada and the United States. Information is exchanged on an informal basis. The SAI of Canada is currently working on a major audit on species, space and water.

#### *4. Proposal to publish a Working Group document on Mandate*

In the discussion following the presentations on regionalisation the subject of mandate comes up: does a SAI need a specific mandate to carry out environmental audits? The chair points out that this subject keeps coming up at Working Group meetings. She proposes to dedicate a paper to this subject, in which could be explained that all kinds of auditing can be directed towards environmental issues, also for instance regularity auditing. This Working Group document could be handed out at INCOSAI 2001 to all interested SAIs. Mr. Pinckard of the SAI of New Zealand volunteers to write a draft paper on the subject of mandate. Mr. Cluskey (Canada) offers to help him.

Another topic that raised is the growing use of Internet. It was agreed that a list of homepage-addresses of the regional groups and the SAIs will be published in the Green Lines and on the homepage of the Working Group.

#### *5. International Environmental Accords to Audit*

This topic on the agenda is moved to session A for reasons of time. Mr. Roijackers of the Netherlands Court of Audit presents the draft paper and proposes to develop further and to make it a Working Group document. The delegates are asked to express their comments and suggestions. Also is asked which SAIs would like to contribute to the paper by making audit proposals focused on specific multilateral environmental agreements. Delegates of the SAIs of Norway, Poland, South Africa, Zimbabwe and New Zealand provide valuable comments and suggestions, pertaining to the list of accords that were selected and

the mandate of SAIs to audit them. With regard to the selection criterion of "date", was concluded that the importance of this criterion depend on the audit focus. For example, the national management system could be audited short after the ratification of the accord. Mrs. Johnsen (Norway) will provide some suggestions to this subject. A new selection criterion will be added, namely the amount of government departments and organisations involved: is it a specific accord or government wide? A SAI has to be aware of this fact and of the practical implications. Finally, a broader range of examples will be included. The paper will be adjusted accordingly.

The SAI of New Zealand responds with a presentation on an audit that was initiated, which includes four multilateral environmental agreements (Montreal protocol on the ozone layer, CITES, RAMSAR and FCCC on climate change). The audit proposal may be included in the paper. Also the SAI of Norway will contribute to the paper by providing the audit proposal on the OSPAR convention. Brazil and Peru might be able to provide an audit proposal on a regional convention that they are planning to audit. The SAI of Canada has done an audit on the biodiversity treaty, which could be included in the booklet. The European Court of Audit will send a study which could be of interest on the European Life Program. The Netherlands Court of Audit will include in the document the audit proposals on the RAMSAR and the MARPOL convention.

The chair states that it will be highly appreciated if other SAIs want to contribute to the paper by providing a short audit proposal. They can contact her staff.

The chair will provide a list of SAIs audit reports on international accords in the homepage of the Working Group.

### **Wednesday 12 April 2000, Working Session B and C**

#### *6. Guidance on Conducting Audits of Activities with an Environmental Perspective*

The development of the Guidance was co-ordinated by the SAI of New Zealand. All delegates are in favour of adopting the *Guidance* in its current form and content. The procedure for turning it into an official INTOSAI document through INCOSAI can be started. Mr. Lang of the SAI of Austria remarks that it should be borne in mind that the INTOSAI document *Standard and Guidelines*, which the *Guidance* of the Working Group is linked to, will be renumbered in the near future. The *Guidance* therefore should be adapted accordingly. The chair takes notice of this.

#### *7. Environment and Employment*

Mr. Colling, member of the European Court of Auditors, explains that because of the vastness of the subject and staff changes the study on environment and employment can not be carried out at his SAI. The proposal to cancel the study is accepted by all delegates.

#### *8. Sustainable Development*

Mr. Cavanagh (United Kingdom) and Mr. Cluskey (Canada) present the draft paper on sustainable development. They would like to make the document less United Kingdom and Canada specific by including relevant examples coming from other countries. Mrs. Fuentes (Norway) will send some comments and Norwegian examples after the meeting. The discussion showed that SAIs find it difficult to include all aspects of sustainable development in one audit. Mr. Cavanagh stresses that examples of audits on one aspect, in which a relation is made to one of the other aspects, are very welcome as well. All delegates are invited to send examples that fit in the paper to Mr. Cavanagh by e-mail, before the first of July. These

will be added to the second draft of the paper that will be sent out for written consultation by the first of October.

The delegates congratulate the authors with the high quality work.

#### *9. Poster Session*

At the end of the morning and the beginning of the afternoon all posters are jointly looked at. Of each present SAI a delegate elaborates upon the posters. Also the posters of SAIs that were not able to attend the meeting (Iran, Estonia and Peru) are exposed in the conference room. The SAI of Peru sent three videos on their audit work. Two of them are jointly looked at. Small prints of the posters will be made available for all members of the Working Group in a separate publication.

#### *10. Future of the Working Group on Environmental Auditing*

The chair introduces the subject of the future of the INTOSAI Working Group on Environmental Auditing by sketching the upcoming developments in the near future. The mandate of the Working Group will end at INCOSAI in Seoul 2001. The Netherlands Court of Audit intends to give up the chair. And the increased number of member SAIs compels to rethink schedule and form of the Working Group meetings.

All delegates support the continuation of the INTOSAI Working Group on Environmental Auditing. Integration into the broader international community still provides positive impulses for the regions and the individual SAIs, since most of them are still in a start up phase when it concerns environmental auditing. Most delegates attending the meeting are in favour of a combination of option 2 a, b and c as described in the conference documentation. This means continuation of a global Working Group that supports the regional Working Groups by co-ordination of activities and backing and advising them. Moreover the global Working Group could conduct activities by itself, like developing methods and techniques and carrying out exploratory studies.

The chair states that she will take the general outcome of the discussion into account when developing a new proposal concerning all aspects of the future of the INTOSAI Working Group. The proposal might include the extension of the period of chairmanship of the Dutch SAI for a year and a half, to make sure that a work plan for the coming period will be ready in time. The new chair could then take over half way the fourth period, executing the existing work plan and preparing the work plan for the fifth period. She will discuss the procedures with the INTOSAI secretariat. A new chair is not found yet. With regard to the growing size of the Working Group, the chair will also rethink the organisational aspects. It might be an idea to alternate meetings for all members with meetings for a smaller group, for example the Trekkers. New SAIs interested to join the INTOSAI Working Group will be requested to contact the regional workgroup first.

#### *11. Next meeting*

It is decided that the next Working Group meeting will be held a week prior to INCOSAI Seoul 2001, probably on Wednesday 17 and Thursday 18 October 2001. The location of the meeting will be decided later.

All delegates are in favour of organising a poster session again during the next meeting. The chair will examine whether the agenda for the 7th meeting of the Working Group (October 2001) allows for a new poster session.

*12. Recent and proposed activities by the chair*

Mrs. Stuiveling introduces the paper on recent and proposed activities of the chair. The delegates take notice of its contents and don't have comments on the paper.

*13. Time path up to Seoul 2001*

The chair states that we should think about translation of the Working Group documents in the official Working Group languages. She asks for volunteers for translation from English into the other INTOSAI languages, namely Arabic, French, German, and Spanish. The Egyptian SAI volunteers to take care of translation into Arabic, the SAI of Brazil into Spanish. The Austrian SAI offers to review the German translation.

The chair states that if other SAIs can come up with solutions for translation into French and German they can contact her staff.

*14. Presentation Working Group in Seoul 2001*

The chair asks the delegates present at the last INCOSAI in Montevideo, if the presentation of the Working Group was satisfactory then. If yes, that format could be maintained. The delegates react positively to the chair's proposal to maintain the format of the presentation. It is suggested to give the regional co-ordinators a role in presenting the results of the regionalisation strategy and to raise the topic of mandate at the presentation. The posters that SAIs might make for the 7th Working Group meeting could be exhibited during the next INCOSAI in Seoul 2001 also. The chair will contact Korea to inquire about the possibilities.

*15. Closing*

The chair presents all decisions that were taken at the meeting, asking the delegates to make corrections if necessary. The list of decisions is adopted (attachment 2).

The chair thanks all delegates for their input at the meeting and the poster session. Special thanks go to the excellent work of the South African SAI, preparing and facilitating the meeting magnificently.

**Attachment 1: LIST OF DELEGATES AND SAIs ATTENDING THE MEETING**

<i>Country</i>	<i>Delegates for Cape Town meeting</i>	<i>Position in national Audit Institution</i>
Austria	Dr. Heinrich Lang	Rechnungshof of Austria
Brazil	Mr. Fabio H. Granje E Barros Mrs. Rosangela Fleury	Tribunal de Contas da União Tribunal de Contas da União
Cameroon	Prof. Francois-Xavier Owona Ndouguessa	Director of Training and International Co-operation
Canada	Mr. Wayne Cluskey	Principle
Czech Republic	Mr. Zdenek Smelik Mr. Miroslav Kruchina	Member of the College of the SAO Head of Department of Environment and Construction
Egypt	Mrs. Samia Labib	General director, Central Auditing Organisation
Georgia	Mr. Zurab Dvali	Deputy Chairman
Indonesia	Mr. Sahid	Court of Audit of Indonesia
Korea	Mr. Min-Cheol Shin Mr. Jaeboong Lee	Board of Audit and Inspection Board of Audit and Inspection
European Court of Auditors	Mr. Francois Colling	Member of the European Court of Auditors
Netherlands	Mrs. Saskia J. Stuiveling  Mrs. Saskia van der Haagen Mr. Floris Roijackers Mrs. Sylvia van Leeuwen	President Netherlands Court of Audit, Chair INTOSAI Working Group Environmental Auditing Assistant to Mrs. Stuiveling Staff member Working Group Secretariat Staff member Working Group Secretariat
New Zealand	Mr. Martyn Pinckard	Senior auditor
Norway	Mrs. Therese Johnsen  Mrs. Carmen Fuentes Arends	Director General Performance Audit Department Audit advisor
Pakistan	Mr. Nasrul Ghaznavi	Auditor Generals Office
Poland	Mr. Zbigniew Wesolowski  Mr. Andrzej Glowacki  Mrs. Ewa Borkowska-Domanska	Vice-President of Supreme Chamber of Control Deputy Director of Environmental Protection Department Staff member
Romania	Prof.. Ioan Condor Mrs. Marilena Demian	Chairman of the Romanian Court of Audit Auditor
Russian Federation	Mr. Sergey Openshev Mr. Vladimir Bogachev	Member of the collegium Accounts Chamber of the Russian Federation
South Africa	Mr. Wessel Pretorius Mr. Graham Randall Mr. Pramesh Bhana	Corporate Executive Manager Executive manager Centre Manager
Saudi Arabia	Mr. Abdul Aziz Abdullah A Hemid Mr. Saad Al-Qutham	General Auditing Bureau General Auditing Bureau
United Kingdom	Mr. Joe Cavanagh	Director Environment and Transport
USA	Mr. Steven Elstein	General Accounting Office
Zimbabwe	Mr. E. Harid Mrs. Josephine Mukomba	Comptroller and Auditor General Deputy Auditor General

**Attachment 2: LIST OF DECISIONS DURING THE 6TH MEETING, CAPE TOWN, APRIL 2000**

<b>Subject:</b>	<b>Decisions:</b>
Minutes of Peru	Approved
Discussion about mandate	- New Zealand will prepare a WG-document to be distributed in Seoul, 2001.
Homepages	- A list of homepages will be distributed to all WG members and added to the Green Lines.
Guidance on conducting audits of activities with an environmental perspective	- Approved as a WG document; - Procedure to become an INTOSAI-document through INCOSAI will be initiated; - Numbers of paragraphs will be adjusted after the governing board meeting of May 2000
Study on employment and environment	- Will not be executed.
Study on sustainable development	- WG members will send examples by email to Joe Cavanagh before 1 July, 2000; - Examples of WG members will be added in second draft. Ready before 1 October, 2000; - All WG-Members will receive the second draft for written consultation; - WG document will be ready before the 7 <sup>th</sup> WG meeting, prior to Seoul, 2001.
International environmental accords to audit	- Paper will be adjusted and elaborated according to comments (mandate and choice for water); - Audit proposals will be provided by: <ul style="list-style-type: none"> <li>• New Zealand (4 accords);</li> <li>• Norway (Ospar);</li> <li>• Brazil and Peru (subject unknown yet);</li> <li>• Canada (Biodiversity);</li> <li>• European Court (Life Program)</li> <li>• The Netherlands (Ramsar and Marpol);</li> </ul> - A list of SAI's audit reports on international accords will be made available
Future WG	- The WG will go on after Seoul 2001; - Option 2 is preferred: <ul style="list-style-type: none"> <li>• the WG should support and coordinate the regional WG's;</li> <li>• to support the work of the regions, the WG can execute activities on the global level;</li> </ul> - The chair will elaborate a proposal on organizational aspects before Seoul 2001.
Recent and proposed activities	- According to proposal of the chair



Poster presentation	<ul style="list-style-type: none"> <li>- Have a new poster session</li> <li>- Use posters at INCOSAI 2001 in Korea</li> </ul>
Presentation WG in Seoul	<ul style="list-style-type: none"> <li>- According to proposal of the chair</li> <li>- The Egyptian SAI volunteers to take care of translation into Arabic, the SAI of Brazil into Spanish.</li> <li>- Volunteers to make translations into French and German are very welcome. They can contact the Dutch secretariat.</li> </ul>
New chair	<ul style="list-style-type: none"> <li>- Chair to be taken over about 1.5 year after INCOSAI 2001;</li> <li>- Discuss the procedures with the INTOSAI secretariat</li> </ul>
Next meeting	To be held in October, 2001, week before INCOSAI. Location to be decided later.