



**INTOSAI**  
Working Group on  
Environmental Auditing

***MINUTES***  
*Tenth Meeting of the WGEA*  
*Moscow, Russian Federation*

27 October to 1 November 2005





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# **Minutes from the tenth meeting of the WGEA (WG10)**

**Thursday 27 October 2005—Morning**

## ***Opening Session***

### **Welcoming remarks**

Ms. Johanne Gélinas, Associate Chair of the Working Group on Environmental Auditing (WGEA) welcomed all 124 participants and indicated that with representatives from 62 SAIs, this was the most attended meeting ever!

Ms. Gélinas thanked Mr. Sergey Stepashin and the Accounts Chamber of the Russian Federation for hosting this meeting.

Mr. Sergey Stepashin Chairman of the Accounts Chamber of the Russian Federation welcomed the participants of the Tenth meeting of the WGEA (WG10). He conveyed his wish for effective and creative work from the participants and tangible successes in protecting the environment and improving the quality of life for our citizens. He stressed that a favorable environment is an integral element of the quality of life.

Mr. Valentin Stepankov, Deputy Minister of Natural Resources of the Russian Federation welcomed participants to the WG10. He reinforced the importance of protecting the environment.

Mrs. Yolande Sliska from the Council Federation, Deputy Chairman of Council, State Duma wished the participants and coordinators a successful meeting.

### **Message from Space**

Participants watched a special videotaped message from the two crew members aboard the International Space Station—Commander William McArthur and Flight Engineer Valery Tokarev.

Looking at the Earth from space, we have the opportunity not only to see how beautiful our planet is but also to detect and warn about the wounds incurred to the Earth as a result of mankind's rash activities. Your work is very important and useful for people. V. Tokarev

### **Keynote speakers**

Dr. Marcus Lee, Program Officer for Land, Division of Early Warning and Assessment, United Nations Environment Programme provided an overview of the process, methods and findings of the Millennium Ecosystem Assessment:

- Dr. Lee noted that the assessment, by over 1000 scientists from around the world, describes the alarming deterioration of global and regional ecosystems and the consequences for economic development and human prosperity.
- Dr. Lee stressed that human activity is putting such a strain on the natural function of the earth that the ability of the planet's ecosystems to sustain future generations can no longer be taken for granted.

Ms. Carman Lapointe-Young, Auditor General of the World Bank, spoke about environmental governance and the role of SAIs:

- Ms. Lapointe-Young strongly endorsed the role and work of SAIs as an important part of global environmental governance.

- Ms. Lapointe-Young stressed the need to focus on significant risks, including environmental risks, during audit work.

## **Thursday, 27 October 2005—Afternoon**

### ***Interactive Workshops***

#### **Introduction to the activities planned for the WG10**

The Chair of the meeting, Mr. John Reed noted that WG10 emphasizes capacity development, information exchange, and networking; and was comprised of interactive workshops, followed by sub-group discussions. The business portion of the meeting provided an update on various WGEA products. There were parallel working sessions on three WGEA 2005–07 projects: biodiversity, co-operation between SAIs, and evolution and trends in environmental auditing. In addition, there were two special sessions for newcomers to environmental auditing and for those auditing tsunami relief funds.

#### **Interactive workshops and sub-group discussions**

There were interactive workshops and sub-group discussions on

- auditing biological diversity;
- auditing climate change;
- environmental auditing—facing the challenges; and
- increasing the impact of environmental audits.

For each interactive workshop

- a guest speaker introduced the topic,
- SAIs presented their related experiences,
- participants were asked to propose questions for small sub-group discussions,
- the Secretariat gathered the questions and presented them to all participants,
- the participants decided which question they would like to discuss in further detail, and
- sub-groups were formed.

The sub-groups were less formal to encourage information exchange and experience sharing. Because the discussions occurred simultaneously, only some of the sub-groups had facilitators and took minutes. Therefore, the summary of minutes that the Secretariat produces will reflect a diverse range of discussions held in an informal setting. In the course of producing these minutes, the Secretariat may have had to interpret some of the notes independently without attending the subgroup discussion.

#### ***Auditing biological diversity***

Mr. Adnan Abulhassan from the State Audit Bureau of Kuwait moderated this interactive workshop.

Mr. Hamdallah Zedan, Executive Secretary, Secretariat of the Convention on Biological Diversity addressed the importance of biological diversity and impact of its loss.

SAI members made the following presentations:

- Austria—Biodiversity audits in Austria
- Czech Republic—Auditing biological diversity in NKÚ—“What happened after
- Macedonia—The place of the Republic of Macedonia in its efforts of keeping biological diversity in the environmental area and contribution of SAOs of the Republic of Macedonia
- Mongolia—Special protected area network and effectiveness of its management

- Paraguay—General direction of control of the natural resources and environment
- The Russian Federation—Audit of the conservation of biological diversity

### **Sub-group discussions**

**Sub-group question.** Given the proliferation of treaties and conventions, is it fair to audit countries, particularly developing countries, against all such commitments?

#### **Discussion**

During the discussion it was noted that countries should expect to be held accountable for agreements to which they subscribe.

- Often, signing an agreement is a pre-condition to receive funding from donors or development banks—this funding and international recognition could motivate some developing countries to sign an agreement.
- Countries may not be able to deliver their commitments because of other priorities and their capacity to deliver.
- Some participants believe that countries should understand what they are signing and all its implications. There are no excuses.
- Countries have a moral obligation to implement agreements.
- In some countries, officials will be removed from their office and held liable for disbursed funds if preconditions, such as satisfactory implementation of treaties or conventions, were not met.

Tools and role of the auditor

- Auditors use treaties and conventions as criteria and look for specific implementation plans or links to activities that satisfy the conditions of the agreements.
- If there is funding for implementation, this becomes the criteria for the audit.
- When auditors audit against treaties and conventions they show that there are serious commitments and can highlight the risks of signing without making those commitments.

It is difficult for SAIs to know about all agreements signed by their government. Are there any sanctions applicable in cases of non-implementation?

- For some treaties, there are sanctions.
- Many treaties and conventions refer to administrative obligations but not substantive obligations such as regulations and policies.
- Auditors should go beyond administrative fulfillment to look for substantive evidence of implementation.
- Finally, even where treaties and conventions are not signed there are opportunities to use their principles or practices upon which they were based as criteria for audits related to voluntary compliance.

**Sub-group question.** What kind of expertise does my SAI require in order to conduct an environmental audit?

#### **Discussion**

Biodiversity audits are possible even without in-house expertise.

- Auditors already have auditing skills that are essential and they may use external expertise (For example, NGOs, experts, and universities) to help them understanding a new area of investigation.
- In many cases, SAIs learn by doing and build their expertise gradually.
- Sometimes, international co-operation is a good option if a SAI does not have a lot of expertise in environmental auditing (For example, co-ordinated audits within a region of the WGEA).

**Sub-group question.** Can we rely on the data and science provided by ministries for an audit?

### Discussion

Auditors raised concerns about relying on one source rather than conducting their own tests.

- There is a need to establish baseline data. Departments need to do this and then make it public. But can audits measure against this?
- Auditors can use other data sources and other strategies to audit. These include experts to advise, information from international organizations, and audit the systems that produce data rather than the data.
- Is it important to use the data from the ministries? In this case, how would auditors maintain independence? A suggested solution was to balance the use of some data directly, some that need to be checked, and some that can be added from other sources. Even so, there is still a need to know how the data was prepared. Was it submitted for peer review?
- Remember that data is only part of the process. In the case that the ministry has no data, it's possible to recommend better monitoring and reporting.
- It's possible to model the system that collects data with the assistance of experts and compare it to actual systems.
- Auditors could examine what the government is doing to reduce threats to all aspects of data. How are they collecting data? Are they using the internet to collect data?

In an audit, what evidence do you really need to achieve audit objectives?

- Ensure that audit questions are broken down and to only collect data as needed.
- If data collecting is done, check to see if that data is reliable, compare it with other data, interviews and surveys.
- Auditors need to triangulate their work with other methodologies and can rely on international audit methods and a variety of sources. If the data is not comparable, take it back to the department.

For example, an audit on data could be process based, an audit can check to see if there is a monitoring system (plan-do-check, triangle). If there is not enough money, skip 'the planning' and go directly to the 'do' as was the case for one SAI.

**Sub-group question.** In the Convention on Biological Diversity, there is some very general language that states that the country must "as far as possible" and "as appropriate" meet an end. The following two questions address this ambiguous text.

- Should there be different expectations for developing and developed countries to act on "as far as possible" and "as appropriate"?
- How do we challenge governments that they have not done enough to meet "as far as possible"? Is it an avenue by which we can expect or press governments to do more?

### Discussion

- Environment is not the culture of developing countries.
- Some conventions have "two speed" commitments.
- Ensure that the ministry of environment agrees with the criteria.
- In many cases, it is also important to consult with the ministry of agriculture and consider other potential sensitive topics.

**Sub-group question.** How can SAIs promote the development of reliable scientific information beyond one country?

### Discussion

Auditors need more relevant and timely data.

- When auditing monitoring of data, there needs to be an environmental information system to audit.
- Auditors question the competence of the system.



- Much of the information needs to be developed in-country. However some information is developed with the international community.

#### Sources

- For in-country information there are academic and research institutes.
- For links from in-country to international organizations, the data could be from standard or common monitoring systems. There may be harmonization of data standards and audits
- For data from international organizations, it may include data for transboundary issues, data necessary for comparing and sharing knowledge. International data may be required by international conventions such as The International Convention for the Prevention of Marine Pollution from Ships—MARPOL.
- Also check for climatic or meteorological data.
- Auditors can send questionnaires to gain information in-country and internationally. They can send questionnaires to neighbouring countries to compare and share the data.
- Auditors can look at non-governmental and community-based organizations that may have established partnerships to collect data (Environmental Information System, climate and earthquake information). However, in some instances, private companies may keep their sub terrain data private. SAIs could ask to make reports available to public on-line, to have a central collection source (possibly a website) for data from all regions.

Some international information sources include

- World Wildlife Fund (WWF) for species information
- Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) for data on species trading, including countries' problems on implementation
- United Nations Environmental Program (UNEP) has information on the state of environment by country
- The World Conservation Union (IUCN) has useful documents to find audit criteria. They have documents on guidelines and advice to governments

Some auditors would like to have Geographic Information Systems (GIS) networks set up and extensive public communication (village-to-village). Most of the time, government is responsible for data collection. Auditors could check if there are sufficient resources and encourage enterprises to measure departments' priorities and to work with SAIs.

## **Friday, 28 October 2005—Morning**

### ***Interactive Workshops (cont'd.)***

#### ***Auditing Climate Change***

Ms. Sarah Billiard from the National Audit Office of the UK moderated this interactive workshop

Mr. Feng Gao, Co-ordinator for the Implementation Programme, for the United Nations Framework Convention on Climate Change Secretariat (UNFCCC), shared lessons learned and upcoming challenges in reporting and reviewing under the UNFCCC and its Kyoto Protocol.

SAI members made the following presentations:

- Australia—Audit of administrative efficiency and effectiveness of programs designed to reduce greenhouse gasses
- Canada—Performance audits on climate change in Canada
- Estonia—Auditing the exploitation of peat resources
- Netherlands—Climate change audits

- United States—How the Government Accountability Office (GAO) helps the U.S. congress oversee climate change policy

### **Sub-group discussions**

**Sub-group question.** What can developing countries do now to audit climate change issues?

Mr. Feng Gao, Co-ordinator for the Implementation Programme of the UNFCCC Secretariat and guest speaker also participated in this sub-group.

### **Discussion**

#### Financial support

- Developing countries need to get financial support. For some programs, once financial resources are in place, a country has four years to submit communication to UNFCCC Secretariat.
- Audit whether the funds from the Global Environmental Fund (GEF) are being spent correctly.
- Audit how well the government spending money on programmes which respond to effects of climate change.

#### Communication

- In the national communication, is there a description of national circumstances that include geography, economy and demographics?
- There should be an inventory of data from many sectors on energy and land use changes.
- Is there information that describes any climate change effects being felt? Auditors can audit who checks this.

#### Data

Part of the challenge is that there is no one method for collecting data. Therefore data can vary across a large country. In that case, it is possible to examine whether or not the government will put necessary institutions and procedures in place.

#### Questions for possible audit include

- Is the government's framework for collecting the information good?
- Are the players working together?
- Is the answer consistent, cohesive and reliable?
- Do they have the capacity to deal with a subsequent communication to UNFCCC? SAIs and countries can learn from the first communication to the UNFCCC Secretariat.
- Does the country have the skills? The resources?

**Sub-group question.** How can SAIs help Parliamentarians better understand the importance of environmental issues?

### **Discussion**

Parliamentarians need to have a solid understanding of the environment in order to:

- Persuade Parliament to address environmental problems
- Introduce the law
- Create interest in the audit findings
- Allocate the resources
- Choose current environmental issues as the audit subject
- Present key audit findings that are relevant to Parliamentarians instead of all audit findings
- Publish the audit plans addressed to the Parliament
- Offer a briefing to Parliament of an audit report

In order for an audit report to be understood by Parliament, it must be simple and not too technical.

- SAIs have held workshops for members of Parliament on environmental issues.
- It's important to recognize the role of media in publicizing the audit findings, and to educate them and be aware of their influence on public opinion.
- There is also the use of interest groups.
- There is also the role of RWGEAs such as EUROSAI, ASOSAI and the role of INTOSAI.

Some countries need to begin with their SAI's mandate and ensure it allows for the possibility of conducting performance audits.

**Sub-group question.** How can auditors change their negative image (for example, "fault-finders") to a more optimistic and helpful persona?

Mr. Vitaly Matasarski, Deputy Co-ordinator of UNFCCC Secretariat, special guest also participated in this sub-group.

### **Discussion**

It is difficult to be positive in regularity audits. However, performance audits can raise positive improvements.

#### Communication strategies

- Strategies to overcoming this negative image include providing a balanced report, in part by including the auditee's response.
- In some SAIs, performance audits receive good press review, which can become the occasion to improve the auditors' image by being positive in the reports.
- Also important are the communication skills of auditors. The transparency to the public of the SAI, of the audit and in developing recommendations.
- Communication can include sharing best practices and good experiences among entities. This will help to change your image by demonstrating good governance because the auditor and the auditee contribute to optimizing public resources.

#### During the audit

- In audit planning, discussions can be taken with internal audit committees on the audit process and the value of the audit.
- It is also helpful to educate the auditee and stakeholders on the audit approach.
- The public relations job of a SAI includes explaining the auditee's rights and their expectations, the value of the audit for them, and to start planning ownership of the audit process to the auditee.

Air pollution audits may be a good way to start auditing climate change.

- One SAI found that their emissions trading scheme cost too much money and did not give enough results.
- Another country suggested that countries with forests should be provided with benefits to oxygen suppliers/carbon sinks.
- The EU is conducting an audit on the reassignment of exhaust in accordance with Kyoto Protocol.
- It is difficult to audit a renewable energy target. The EU suggested doing audits that complements the region.
- There is also value in obtaining reports such as regular audits from different industries.
- A useful recommendation could address sufficient resources to measure (e.g. laboratories needed), and the challenges in proper reporting.

Mr. Matsarski commented that he also learned a lot in this session. Particularly in regards to SAIs active involvement in auditing climate change.

- He hopes that the link between climate change audits of SAIs and government reporting will continue to strengthen in the future.
- He noted that SAIs can use the national communication reports made by each country to the UNFCCC. There are sections on impact of results, future plans, future assumptions and aggregate results. He also mentioned there is a variety of reporting from different countries.
- He also noted the sectoral results are important in order to understand what is going on elsewhere and how to adapt.
- He mentioned that member countries can ask questions regarding UNFCCC to encourage better reporting.

**Sub-group question.** If a country does not yet have a program, but signed the Kyoto Protocol, how can auditors audit this topic when targets will be achieved only in a few years? (future targets ex. 2008–12).

### **Discussion**

If the country has ratified the protocol, they should have an implementation plan and auditors can audit this plan.

- If a program does not exist or if the implementation plan is at the stage of development, auditors can first look at what is done in other countries (benchmarking) as comparison.
- If the government is at an early stage, auditors can at least audit the planning process in place.
- Auditors can examine if the plan in development is realistic by comparing with plans of other countries. For example, auditors can also look at a sector's report such as public transportation.
- Auditors can release an interim report to alert government if they are taking the wrong direction to achieve the targets set in the Kyoto protocol.
- If it is difficult for auditors to audit and conclude on whether the 2008 targets are realistic, then the alternative may be to audit after 2008, and to assess the effectiveness of the 2012 plan.

**Sub-group question.** How do we deal with matters of policy?

**Sub-group question.** What knowledge on climate change does SAIs need to acquire to conduct an audit on this topic – use of experts?

**Sub-group question.** How can auditors manage the challenges of information, communication and technology?

**Sub-group question.** How to respond to tsunami? How to deal with national disasters?

NOTE: These sub-groups did not produce minutes.

## **Friday, 28 October 2005—Afternoon**

### ***Interactive Workshops (cont'd.)***

#### ***Environmental Auditing—Facing the Challenges***

Mr. Teyib Ali from the Office of the Auditor General of Ethiopia moderated this interactive workshop.

Mr. Anwar Nasution, Chairman, Audit Board of the Republic of Indonesia spoke about Auditing Tsunami Relief with an Environmental Perspective.

Presentations were made by the following SAI members/participants:

- Denmark—(Second) II parallel audit of implementation of the provisions of the Helsinki Convention—preparedness to combat pollution from ships in the Baltic Sea
- Kenya—Africa waste audit project—The Kenyan experience

- Libya—Environmental legislation and its role in the activation of environmental auditing
- Russian Federation—The experience and problems of environmental audit
- Turkey—Facing the challenges of environmental auditing
- Ukraine—Audit of the implementation of the integrated program for radioactive waste management

### **Sub-group discussions**

**Sub-group question.** How can we audit natural disasters issues?

#### **Discussion**

Natural disasters include tsunamis, floods, earthquakes, earth slips, volcanoes, hurricanes, typhoons and tornadoes.

- To prepare for the possibility of natural disasters, governments should have warning systems that include a Plan B and awareness programs and consider the involvement of governments and non-government organizations across all activities.
- These activities need to be considered at the regional level and with international co-operation.
- Building codes need to reflect specific types of possible natural disasters. For example, earthquake sensitive zones have specific building structure codes, hurricanes need to consider flexibility and strength, flood prone areas need to be concerned with distance from water, buildings in forests need to be aware of drought and parks and areas prone to forest fires need to have escape plans.

With respect to auditing before a disaster occurs:

- Auditors can review existing systems and make a report to parliament/legislature that shows its weak points.
- Audits can examine whether or not there is accurate and timely information and the readiness of personnel. This would include soldiers, medical, fire, rescue, hospital nurse, first aid, media, and transport services (helicopter, water, air).

In the event that a natural disaster does occur, four major events occur afterwards: rescue, relief, rehabilitate and reconstruction.

- After a disaster, there are other aspects to audit. During the relief work, audits can be done on assistance given locally and internationally, the effectiveness of planning, the needs on the ground, proper assessment of the damage, and finally, to ensure the resources are used meaningfully.
- More specifically, audits could examine the effectiveness of rescues, under debris, in water and in fires—this is all tied to personnel readiness.
- When auditing recovery, there needs to be provisions of water, food, shelter and medical services. The audit can examine aspects of planning.
- For example, relief workers need to pay attention to shifting people in families, so as not to separate families and to plan for families to reconnect by providing a service to do so.

Environmental concerns are important considerations during rehabilitation and reconstruction, its an example of applying sustainable development.

- First of all, there needs to be lessons learned from the first mistakes.
- Then new steps need to take into account the environmental disaster and to ensure that rebuilding avoids the same construction mistakes.

**Sub-group question.** How to overcome the barrier of access to information from the entities?

#### **Discussion**

If entities do not want to give the information, how can auditors get the information?

- Auditors need to listen to entities and develop a good relationship with them; this has to be done before the audit.

- During the planning of the audit, it is important to take time to write letters to entities explaining the audit project and what auditors intend to accomplish.
- Some SAIs use “Engagement letter” asking for the information. It is important to meet the entity and take the time to discuss what they are doing.
- Other SAIs mentioned that they use expert panels, advisory committees and the law division in their office.

For entities that still do not want to give information

- The auditor can conduct other research, particularly during the overview phase via the internet and interviews with NGOs and with universities.
- Reviewing files within the entity can be a good way to discover information hidden by the entity.

Negative auditing reports year after year, may make it hard to come back in the department for a new audit. To overcome this, SAI can balance report by being less negative; but this is easier with performance than financial audit.

SAIs can adopt a very collaborative approach with departments.

- At the beginning of an audit, they can set a meeting with departments, NGOs, universities and business involved in the issue and they discuss together about the issue of the audit.
- Some audit offices have a one-day course given by experts. However there is always the issue of cost for these experts, but some accept to not be paid (only expenses to attend); being named in the report may be, for instance, enough rewarding for university teachers.

**Sub-group question.** How do we deal with the challenges of managing and disposing of nuclear waste?

Notes were not taken in this sub-group

## **Monday, 31 October 2005—Morning**

### ***Interactive Workshops (cont'd.)***

#### ***Increasing the impact of environmental audits***

Mr. William Peplow from the National Audit Office of Malta moderated this interactive workshop.

Mr. Christian Avérous, Head, Environmental Performance and Information Division, Organization for Economic Co-operation and Development (OECD) shared OECD’s Reviews of Countries’ Environmental Performance.

SAI members made the following presentations:

- Korea—Environmental audit on water quality improvement projects—four major rivers in Korea
- India—Increasing the impact of environmental auditing—Mumbai floods
- Norway—The impact of environmental audits in Norway—lessons learned
- Russian Federation—Through financial audit to environmental audit
- United Kingdom—Increasing the impact of our audit—environmental audits as case examples
- United States—Impact of GAO environmental audits—striving for the highest return on the U.S. taxpayer’s dollar

There were no Sub-group discussions held for this interactive workshop

### **High level summary of observations across the four interactive workshops**

At the conclusion of the session, the Chair of the meeting, Mr. John Reed provided an overall summary of the sessions. He noted that these presentations demonstrated through financial, regularity, and performance audits, SAIs around the world are examining their governments' management of environmental issues, funds and programs. Moreover, it is clear that such audits are having a significant impact in their countries. For instance, environmental audits have led to:

- New legislation and better enforcement of existing regulations;
- Enhanced protection of national parks, wetlands, marine and freshwater ecosystems, forests, and ocean resources;
- Improved compliance with international and regional environmental treaties;
- Strengthened handling of municipal and hospital wastes; and
- Improved targeting of public funds for environmental protection.

During plenary, participants were then asked to share with others what they had learned during the course of the meeting. The participants shared the following:

We have a great responsibility and opportunity to push our governments to ensure they stop dangerous trends in environment.

The conference opened our eyes about how we are doing things in comparison to other SAIs. It will help us to address the most important aspects of government, the most suitable areas in environment, to make best use of resources, and to employ the most efficient communication.

An important first step in doing audits is training auditors on the environment using the WGEA/IDI training course.

Environmental aspects can be introduced as part of larger audits that are not only environment.

Parallel or coordinated audits are a great way to build capacity, share audit practices and learn from one another. Plus we can audit larger issues that way.

A five year planning model that some SAIs already use can be useful to plan for parallel and cooperative audits with other countries.

If we humans continue to live recklessly, we shall bequeath a lifeless and a more dangerous planet to our children.

We should embark on impacts/results based audits if we want to have our environment preserved for future prosperity.

We are now convinced of the need to act and are confident in our ability to undertake environmental audits.

There is a growing interest in environmental auditing and a great opportunity to influence environment and government.

INTOSAI member states can look at global cumulative effects of natural resource extraction (oil, gas, water, minerals).

We learned how to present audits, the best way to present findings and to be careful of how recommendations could be sensitive to some SAIs.

Drawing on Environmental Impact Assessments is a consistent source of reporting and information.



There have been great achievements in environmental auditing from many SAIs with very little resources.

It is important to calculating the financial impacts and benefits of environmental audits.

It is important to engage stakeholders and sometimes use external expertise.

There are consequences for Departments that do not follow SAIs' recommendations.

Even if we think things are all well in our country, our actions can be affecting other countries. We are interconnected in all countries, continents on environmental audits.

In the future, there is a need to discuss in more detail the issues of: legislation, methods, more practical audits, challenges in methods and working with governments in cooperative audits, governments' response to findings and reaction to recommendations and communication of our reports.

This meeting opened my eyes to look at how we are doing things and to compare and share practices.

Environmental auditing can make a difference, environmental audits can be done.

Environment is borrowed from our children, it's not inherited from our parents.

## **Monday, 31 October 2005—Afternoon**

### ***WGEA business meeting***

#### **Parallel working sessions**

##### **Introduction**

Five parallel working sessions were held during WG10. The purpose of three of these sessions was aimed at advancing INTOSAI WGEA's 2005–07 projects (Moving Towards Auditing Biodiversity, Cooperation Between SAIs: Tips and Examples, and Evolution and Trends in Environmental Auditing). These three parallel sessions were an opportunity for project leaders to collect relevant project information from SAIs. Detailed information on the specific projects such as their project work plans and progress reports can be found in the meeting material.

Two other parallel sessions, namely Auditing the Environment for the First Time and Auditing Tsunami Relief with an Environmental Perspective were offered for a more intimate discussion of environmental audit topics in smaller group settings.

##### ***A. Moving towards auditing biodiversity***

This session was facilitated by the project leaders Mr. Cláudio Altounian (Brazil) and Ms. Carolle Mathieu (Canada). More information on the project, including Moving towards auditing biodiversity's project work plan and progress report are available in the meeting material.

The project leaders introduced the biodiversity project. The purpose of this session was to collect and share experiences on auditing biodiversity issues and discuss how to determine the focus on biodiversity audits. Participants were then asked to select which three issues they would like to discuss in sub-groups; participants had to choose amongst six topics provided within the meeting material. These topics are an integral part of the biodiversity project paper. Below are the questions selected and discussed in three sub-groups.



**Sub-group 1.** Identify the main threats to biodiversity

The participants in this sub-group decided their first step was to identify the main causes and effects to biodiversity loss and the second step was to discuss solutions to stop it.

**Step 1.** Defining causes of biodiversity loss

- The three main causes of biodiversity loss are agriculture, pollution (air/water/land) and tourism.
- Economic interest is often a cause of biodiversity loss, such as fishing, Genetically Modified Organisms (GMOs) in agriculture and the overuse of fertilizers.
- Increase population, especially in urban areas.
- Invasive species
- Indirect effects from climate change
- Biopiracy, the unauthorized and uncompensated exploitation of biological resources
- A lack of awareness of the importance of conserving biodiversity
- Political interference
- Overexploitation of resources

The sub-group also identified the following as either causes or effects:

- Economic interests
- Habitat change
- Deforestation
- Alien species such as invasive species that may be caused by trade and international travels

**Step 2.** Identify solutions to biodiversity loss

- Review of relevant Laws
- Promote scientific research
- Promote awareness
- Applying International conventions

**Sub-group 2.** Identify the environmental, social and economic impacts (positive and negative) from biodiversity related to actions, projects and programs

**Discussions:**

- It is important to look at conditions attached to an international convention. Auditors can audit the implementation of the Convention on Biological Diversity provisions such as the government's action plans and its relationship with other international conventions.
- Conflict of interest could arise between social and economic interests. A performance audit could describe this issue. Auditors can use indicators to illustrate social and economic issues.
- Communication to provide information to the public is important.
- A parallel audit with other countries could be fruitful because it is not easy to deal with social and economic interests. An example is the joint audit related to Natura 2000 in Europe.

**Sub-group 3.** Address the limits of SAI's mandate to conduct audits on biodiversity

**Discussions:**

- Some SAIs only have a mandate to look at expenditure. However, if a country has signed a convention, auditors can audit money spent in a program (compliance audit).
- It is important to have clear audit questions and objectives when preparing the audit. A good example is the audit done by Mongolia on protected areas under biodiversity. The audit was presented during the first day of presentations in the interactive workshop.
- Many conventions exist and it is a good start to begin an audit. For instance, SAIs can audit commitments related to the Convention of Black Sea in a joint audit or select a World Heritage site.

## **B. Co-operation between SAIs: tips and examples**

This session was facilitated by the Project leaders Ms. Ewa Borkowska (Poland) and Ms. Sylvia van Leeuwen (The Netherlands).

As part of the research and information gathering process for the INTOSAI WGEA project Co-operation between SAIs: Tips and Examples, the project leaders invited the participants of the workshop to share their experiences cooperating with other SAIs during the preparation phase, the execution phase and the reporting phase. More information on Co-operation between SAIs: Tips and Examples' project work plan and progress report are available in the meeting material.

SAIs were asked to identify and rank the "do's and don'ts", based on importance and usefulness and to identify barriers to co-operation and possible ways to overcome them. Two sub-groups were formed. In addition, participants without experience were invited to formulate questions that they wanted to be answered in the workshop either in sub-groups or in the paper.

### **Sub-group 1. Discussion results**

Tips for the preparation phase

1. Search for an acceptable topic
  - competencies
  - the use of the same audit criteria
  - international accords
2. Decide on the type of co-operation
  - joint audit
  - co-ordinated audit
  - parallel audit
3. Take the time, energy, and resources to recognize and get to know the members of the other SAIs. You may be working together for a year or more.
4. Have a formal agreement between the heads of SAIs that includes
  - Timetable
  - Language
  - Scope of the audit
  - Publishing
  - Responsibilities
  - Communication

Tips for the executing phase

- Share information following the agreement
- Create National level plans
- Consult others about extra topics—do not decide on your own

Tips for the reporting phase

- Keep a similar structure of national reports as much as possible
- Emphasize similar findings
- Publish a common statement
- Ensure approval for publishing

### **Sub-group 2. Discussion results**

Tips for the preparation phase

1. Define the environmental problem
2. Identify countries affected by the problem
3. Discuss mandated competencies of the SAIs involved in the audit
4. Decide the type of audit (joint, parallel, co-ordinated)
5. Define financial resources involved and way to finance costs, including external funding
6. Define common audit criteria and environmental indicators to use

7. Prepare the audit plan—draft the audit program
8. Set timelines and publication period

Tips for the execution phase

1. Organize meetings of the SAIs involved to discuss audit findings, methods and problems
2. Circulate the location of the meetings (different hosting SAIs)
3. Choose the most important points to be emphasized during the audit
4. Encourage informal communication between the SAIs (by e-mail, telephone, and fax)

Tips for the reporting phase

1. Have every participating SAI prepare their national reports
2. Exchange the national reports between participating SAIs
3. Prepare an optional joint action plan
4. Disseminate the report

Questions provided by participants from countries that want to learn how to do co-operative audits

- Clearly define the types of co-operation—joint, parallel, and co-ordinated audits.
- Define the procedure (for example, the different steps) for a joint audit.

### ***C. Evolution and trends in environmental auditing***

Ms. Vivien Lo from Canada facilitated this session.

Ms. Lo asked the 22 participants five questions that addressed different aspects of the Evolution and Trends in Environmental Auditing project. Participants selected three questions to discuss in two small groups. As the goal of the session was information gathering, the two discussion groups focussed on gathering information and sharing various perspectives and diverse experiences, not at reaching a consensus.

More information on Evolution and trends in environmental auditing's project work plan and progress report are available in the meeting material.

**Question.** In the future, how do you expect environmental auditing to change?

**Discussion**

- There is a shift towards performance auditing, co-operative auditing with other SAIs, and auditing international environmental agreements.
- There is also a shift towards auditing the environment across other traditionally non-environmental issues and more auditing on sustainable development.

**Question.** What barriers have you experienced in conducting environmental audits?

**Discussion**

- There are many barriers that fall under broad descriptions of money, capacity, and mandate.
- There needs to be more trained personnel and external expertise.
- Issues with lower monetary value tend to be lower priority.

**Question.** How has a particular audit affected people and the environment?

**Discussion**

Examples included

- an audit of marine issues improving marine regulations and redraft of laws,
- an audit resulting in increase protection against invasive species,
- an audit resulting in improved flood management, and
- an audit of a railway infrastructure during its construction providing recommendations that could be immediately incorporated into construction plans

#### ***D. Auditing the environment for the first time***

Mr. John Reed from Canada facilitated this session.

This session was for SAIs who were about to or had recently audited environmental activities for the first time. It was a question and answer session, during which participants asked questions of a panel of experts—Mr. Teyib Ali of Ethiopia, Mr. Batbayar Badamdorj of Mongolia, and Ms. Archana Shirsat of IDI Norway. During this session, several participants shared their initial experiences. The following are some of the key questions and responses from the session.

**Question.** What special information is required to plan an environmental audit?

##### **Discussion**

- Basic skills and knowledge to do an environmental audit are the same as for other audits but one must recognize that this is an area of specialization.
- WGEA/IDI training course is a recommended starting point.
- Auditors must be aware of unique sources of information on environment, such as legislation, country reports, and World Bank statistics.
- Be aware that multiple entities can be involved in a single environmental issue or program and roles may have to be defined.
- Consult with entities, ministries, and external experts early in the planning process, as they may have access to special information sources.

**Question.** Is a special mandate required to do environmental audits?

##### **Discussion**

- No—Official position of WGEA—see regularity paper
- One can audit dollars and compliance through regularity and compliance mandate.
- One can also conduct environmental audits with a performance audit mandate .
- Environmental audits can be an “eye-opener”—that laws that exist on paper are not always implemented, and ministries may not be aware of roles and requirements.

**Question.** Is there a difference between health and environment? How do we convince people to take an interest in environmental problems?

##### **Discussion**

- Many environmental problems (for example, drinking water quality and local air pollution) have human health implications. Others have environmental effects, such as on ecosystem integrity, which can have indirect impacts on people.
- To convince people to take an interest in the environment, we need to draw out human health implications where possible. We also need to emphasize the consequences for the economy of environmental degradation, such as impacts on resource development and eco-tourism.

#### ***E. Auditing tsunami relief with an environmental perspective***

Ms. Dewi Sukmawati from Indonesia facilitated this session.

Since the tsunami on 26 December 2004, the SAI of Indonesia has been auditing the tsunami relief funds. The regional environment of the devastated area is essential to the livelihoods of the affected population. It is vital that reconstruction programs mainstream issues of environmental degradation to ensure that the reconstruction efforts do not rebuild poverty. Reconstruction efforts need to build a better environment that is conducive to sustainable development. For these reasons, the SAI of Indonesia has initiated auditing of tsunami funds with respect to environment. They have been working on an audit on mangrove rehabilitation and reconstruction in Aceh.

A paper titled *The Audit on the Program of Rehabilitation on Mangroves and Coastal Forests in Aceh*, located in the compendium under *Environmental Auditing: Facing the Challenges* was provided as background reading material before the parallel session.

The purpose of this parallel session was to discuss and share methods for conducting tsunami relief related environmental audits. The discussion produced the following results.

**Question.** What should the SAI of Indonesia audit related to the tsunami funds?

**Discussion**

- First, audit the Master Plan of the Rehabilitation and Reconstruction of Aceh and Nias. The audit should ask whether the concepts in the plan were correct and can the plan be implemented. Then, audit the project implementation, such as the rehabilitation of mangrove forest and the road and housing reconstruction.
- The audit should look beyond the environmental issues. The sustainability of the process of rehabilitation and reconstruction should be emphasized. The involvement of the communities and NGOs in the decision-making is one of the processes for the sustainability.
- The government structure should also be looked at. The SAI of Indonesia needs to emphasize the reporting process that has been established by the government.
- Ignoring the environmental impact in the cost of reconstruction and rehabilitation is not a good way to rebuilding a better Aceh and Nias. Rebuilding needs to consider issues such as waste and logging (deforestation for timber used in rebuilding process).

**Chair's progress report**

Ms. Johanne Gélinas, Associate Chair of the WGEA provided a progress report for WG10. She provided an update of key meetings that have taken place including the XVIII INCOSAI meeting and the fourth steering committee meeting of the WGEA. She also provided an update of current activities to improve information exchange and ongoing projects, such as the fifth survey on environmental auditing.

In conclusion, 2002–04 was an exceptionally busy and successful time for the WGEA and the Secretariat. 2005–07 is expected to be as equally busy and even more ambitious with numerous projects. The work of the WGEA is of great interest and value to SAIs and the future is promising.

The Chair's Progress Report for the tenth meeting of the Working Group on Environmental Auditing is available in the meeting material provided.

**Minutes of the ninth WGEA (WG9) meeting (Brasilia, Brazil)**

Minutes of WG9 in Brazil were adopted.

**Tuesday 1 November 2005—Morning**

***WGEA business meeting (cont'd.)***

**Update on IDI environmental auditing programs**

**Highlights**

Ms. Archana Shirsat provided an update on the environmental auditing programs of IDI in each region.

She highlighted that Goal 3 of the IDI strategic plan was to interact with the WGEA. She provided an update of what has been happening in the various regions:

**AFROSAI E**

IDI/WGEA held a the second pilot of the two week environment audit workshop in Nairobi, Kenya in February 2004 to meet the objective of capacity development, knowledge transfer, and to acquire skills. One year later, IDI recognizing the need to build on the training received at this workshop. With the help of IDI, the coordinator of AFROSAI E (SAI of South Africa) held an additional follow-up session on auditing waste in preparation for a waste audit. The participants were South Africa Ghana, Mauritius,

Ethiopia, Kenya, Fiji, IDI, and WGEA. Five of these countries (South Africa, Ghana, Mauritius, Ethiopia and Kenya) applied the knowledge immediately in a collaborative audit. The follow-up session on auditing waste allowed participants to familiarize themselves with the TeamMate audit management software while IDI supported the team. The presenter noted that using the software in the context of collaborative audits helped to customize and plan the process. IDI noted that a workshop on environmental auditing is not enough. Ideally, there would be follow-up audit support such as the one held on auditing waste for AFROSAI E. Details of this audit can be found in the meeting material, under the interactive workshop Environmental Auditing: Facing Challenges. The SAI of Kenya presented the audit during this interactive workshop.

## **ASOSAI**

The IDI/WGEA training program was delivered to 16 SAIs in November 2003, Antalya, Turkey. An evaluation questionnaire was sent out to ASOSAI to determine how much knowledge participants took back to their SAIs and the potential impact of environmental audits in SAIs. All 16 SAIs responded to the survey. The following are three notable observations from the evaluation questionnaire:

- Proposing environmental audits—All 16 SAIs submitted audit proposals to management. They were approved and implemented in three SAIs and approved and included in the audit plan in another 3 SAIs.
- Further training—workshop material has been used to train 201 participants in 9 SAIs. This was possible as 9 workshop participants have been involved in conducting training in their SAI.
- Environment audits conducted—13 SAIs have either conducted or are planning to conduct environmental audits. Three of the SAIs either established or expanded environmental audit units as a direct result of workshop.

## **Future plans**

- IDI conducted a global survey of training needs. IT audit training was first priority among SAIs. EUROSAI's third priority and ARABOSAI's second priority were environmental audits.
- IDI plans to translate the IDI/WGEA environmental auditing manual into Russian for Eastern European countries. The Russian translations should be ready at the end of this year (2005).
- IDI is currently in the exploratory stage of e-learning and plans to host a global e-laboratory to test software products that are menu driven and do not require programming skills. Currently, the IT audit Committee is piloting some e-learning activities.

## **Regional round-up**

### **Highlights**

Regional co-ordinators were asked to provide an update on activities under way at the regional level. Documents from each of the following regions are available in the meeting material.

### **ACAG/SPASAI**

Mr. Tevita Bolanavanua from the Office of the Auditor General of Fiji presented a summary on behalf of the regional chair New Zealand. He provided an update of the results of the third ACAG/SPASAI RWGEA, the current work plan, and a list of environmental audits completed in 2004–05. More details of these items are available in a document titled "ACAG/SPASAI Regional Working Group on Environmental Auditing: Regional Update for the 10th WGEA meeting—27 October–1 November 2005."

### **AFROSAI**

The Chair of the meeting, Mr. John Reed provided the update on behalf of the regional co-ordinator for the SAI of South Africa. South Africa undertook a pilot collaborative audit with four other countries—Kenya, Ethiopia, Ghana and Mauritius. Details of this audit, its successes and challenges can be found in the material for the regional round up and in the compendium, under the section Environmental



Auditing: Facing Challenges. Kenya presented this audit during the interactive workshop. In addition to this audit, AFROSAI-E may do a strategic planning exercise in March 2006 to address its links to environmental issues.

### **ARABOSAI**

Mr. Adnan Abulhassan from the State Audit Bureau of Kuwait presented a brief summary on behalf of the regional co-ordinator for the SAI of Egypt that covered four areas:

- the most important achievements of the ARABOSAI Regional Environmental Auditing sub-committee;
- the sub-committee's 2004–05 work plan;
- the implementation and planning of training activities; and
- the proposals necessary to support the ARABOSAI Regional Working Group.

Also provided for the regional round-up was the minutes of the 21 to 25 May 2005 ARABOSAI Regional Sub-committee for Environmental Auditing meeting held in the Central Auditing Organization, Cairo, Egypt.

### **ASOSAI**

Mr. Meifu Luo from the National Audit Office of China, the regional coordinator of ASOSAI, provided an update. The ASOSAI WGEA reported its 2000–02, 2003–04 activities to the ASOSAI Governing Board Meeting. They also identified its 2005–07 work plan priorities:

- share and exchange information and experiences on environmental auditing;
- promote environmental auditing and co-operation among SAIs; and
- carry out environmental auditing research.

In April 2004, the regional co-ordinator distributed two questionnaires regarding SAIs experience with environmental audits. Information will be posted on their Web site. In March 2005, the ASOSAI held a seminar on biodiversity and water in Wuyishan.

### **EUROSAI**

Mr. Zbigniew Wesolowski from Poland's Supreme Chamber of Control, the regional coordinator of EUROSAI, provided an update of activities since 2004. The presentation covered meetings, training activities, and a list of regional collaborative audits since 2004.

- The third EUROSAI WGEA member's meeting was held in Sofia, Bulgaria November 2004. The 2005 work plan was drawn up at this meeting and biodiversity was the seminar topic.
- In September 2005, a seminar took place in Vienna on waste management, air pollution, and energy. The SAI of France will lead a cooperative audit covering the European system Natura 2000 and the SAI of Austria will conduct cooperative audits on environmental costs in infrastructural projects like highways or railways. Both countries are offering these audits to its members to participate. The 2006 work plan was also drawn up during this meeting in Vienna.
- EUROSAI regional WGEA activities were presented to the VI EUROSAI Congress held in Bonn, Germany June 2005. The Congress extended the working group's mandate for another three years in its current structure. The SAI of Poland produced a special booklet on environmental auditing in Europe for 1999–2005 and held an extra event, "Environmental Protection through Kids' Eyes" drawing competition that was warmly welcomed by the Congress participants.

The Supreme Chamber of Control, provided several documents for the regional round up including the 2005 EUROSAI WGEA work plan, the 2005–07 EUROSAI WGEA strategy and the regional round up summary for WG10 in Moscow.

After Mr. Wesołowski presented the regional update, the Accounting Chamber of Ukraine provided additional information on EUROSAI WGEA Special Subgroup on the Audit of Natural, Man-caused Disasters Consequences and Radioactive Wastes Elimination. Their First Deputy Head Mr. Volodymyr Pershyn described the work of the Special Subgroup. In particular, the plan to conduct a parallel audit of the resources made available by the international community for the management of the Chernobyl Nuclear Power Plant disaster. The Accounting Chamber of Ukraine recognizes the extraordinary nature of problems of the natural, man-caused disasters consequences and radioactive wastes elimination. Mitigation and resolution requires collective efforts of the international community. A number of countries supported the establishment of the Special Subgroup in Sofia (EUROSAI RWGEA 2004). Several days after the seminar in Vienna (September 2005), the first meeting of the Subgroup took place with 11 European countries in Kiev, Ukraine. The Subgroup tasks are to:

- conduct coordinated and parallel audits;
- exchange audit plans and methodology and findings;
- conduct parallel audit of the Chernobyl Shelter Fund;
- assist by developing subject recommendations and guidelines;
- put forward special attention to improving communications between the members of the EUROSAI WGEA and create the Subgroup's web-page;
- conduct continuous monitoring; and,
- exchange modern methods and standards in the field of environmental auditing with emphasis on regarding nuclear and ecological safety.

The Accounting Chamber of Ukraine raised the possibility of expanding from EUROSAI WGEA Special Subgroup to INTOSAI committee. During informal discussions, it was agreed to revisit this issue in the development of the INTOSAI WGEA 2008–10 work plan.

## **OLACEFS**

Mr. Claudio Altounian from the Brazilian Court of Audit presented the activities as the regional coordinator of OLACEFS. The activities report of the Special Technical Commission on Environment addressed the four areas of the 2002–06 work plan:

- Financial assistance and technical cooperation—the main result is support from the GAO (SAI of the United States), the Inter-Development Bank (IDB) and from IDI for the two courses in Columbia (2004) and Honduras (2005).
- Training and capacity building,— the main result is support from the GAO, IDB and from IDI for the two courses in Columbia (2004) and Honduras (2005).
- Collaborative environmental audits and audits of International accords—a table of collaborative audits that SAIs from OLACEFS will undertake was presented during the fourth meeting of the Commission.
- Information exchange—the co-ordinator mentioned the regional seminars currently offered by Colombia is not enough to reach its goals under this work plan.

Finally, Mr. Altounian noted that the Web site has been enhanced with information about the group, its objectives, and it intends to gather information about SAIs using an interactive questionnaire that will be accessible on the web.

## **INTOSAI WGEA Secretariat**

Mr. Reed noted that the RWGEA meetings are essential to the WGEA activities. Because the WGEA family will not get together for another 18 months, it is important to support and attend RWGEA meetings.

## **Moving towards auditing biodiversity project**

Ms. Carolle Mathieu from Canada and Mr. Claudio Altounian from Brazil provided an update on their biodiversity project. Projects leaders presented the objective of the paper and its scope, methodology,



and key milestones. More information on this project, including Moving towards auditing biodiversity's project work plan and progress report are available in the meeting material.

## **Highlights**

### Questionnaire

- The Brazil audit office will be sending a questionnaire to the auditors general of the WGEA members that carried out biodiversity audits
- Mr. Altounian presented a preliminary copy of the questionnaire. He encouraged SAIs to answer the questionnaire by the due date, as this information is crucial for the biodiversity paper.
- Questionnaire information will be consolidated in a database that may later be available on the WGEA Web site.

The SAI of Ukraine asked to be a member of the sub-committee on biodiversity and the two project leaders accepted. The sub-committee will comment on draft papers.

## **Co-operation between SAIs: tips and examples project**

### **Highlights**

The project leaders, Ms. Ewa Borkowska-Domańska, from Poland and Ms. Sylvia van Leeuwen of the Netherlands provided a brief update to WGEA members on the status of this project. More information on the project, including Co-operation between SAIs: tips and examples' project work plan and progress report are available in the meeting material.

The project leaders presented the main sections chapters expected in the paper. Three of the sections are based on audit phases.

**Preparation phase.** This section will include:

- finding partners for cooperation,
- choosing the audit subject,
- defining the form and degree of co-operation,
- planning of project stages (timetable),
- planning of the costs of cooperation,
- appointments to be made at the start,
- organization of the project and division of tasks, and
- communication during the preparation phase.

**Performance phase.** This section will include

- gathering information;
- exchange of audit methods and findings;
- watching progress; and
- communication during the performance phase.

**Reporting phase.** This section will include two parts.

- The first section on national audit reports will include
  - the reasons for national reports,
  - exchange of audit findings, and
  - publication and distribution.
- The second section on international audit reports will include
  - the reason for international reports,
  - its content and scope,
  - cooperation in the writing process,
  - languages and translation,
  - publication and distribution, and
  - possible other products.

The paper will also have an Annex 1 that lists international environmental audits and an Annex 2 that will be a literature list.

Some of the major next steps for the project include

- completing a draft list of projects (Moscow)—50 projects done by SAIs on cooperative audits;
- sending out the questionnaire soon after Moscow to SAIs with experience; and
- collecting and analyzing additional information—November to December 2005.

The project leaders asked the participants

- Is the draft list of co-operation projects correct and complete? A copy was provided for all members to review.
- Do you have any literature suggestions?
- Do you have any comments on the proposed outline of the paper?
- Should SAIs without experience be involved in the development of the paper?
- Is there a possibility to share cooperative audit experiences outside of environment?

The project leaders plan to make the tips generally applicable. They noted that co-operation is not different for environmental audits. The paper will be as simple as possible and should illustrate tips and examples of SAIs experiences.

## **Reviewing the Implementation of World Summit on Sustainable Development Commitments (WSSD): project to explore SAIs experiences**

### **Highlights**

Ms. Sarah Billiald and Ms. Laura Helm from the United Kingdom provided an update on the WSSD project. More information on the project, including Reviewing the Implementation of WSSD Commitments: project to explore SAIs experiences' project work plan and progress report is available in the meeting material.

The session included a presentation of results from the first phase and a request for feedback from participants on maximizing the second phase.

### **Phase 1.** During the first phase of the project

- The project leaders gathered information from WGEA members on the mechanisms established to aid delivery of the WSSD commitments and the progress towards implementing the commitments.
- The project leaders noted that responses came from 23 countries, with the majority from EUROSAI.
- Interim findings show that many countries have established mechanism to deliver WSSD commitments. However the approaches vary widely and there are many audits conducted on specific topics, but only a few audits on WSSD implementation specifically.
- The majority of the responses from their questionnaire came from the EUROSAI region. It may have affected their findings on WSSD by demonstrating the environment pillar as the strongest. This could differ with information from colleagues in developing countries. For example, when an auditor tells an auditee that it is an audit of sustainable development, the auditee will say their responsibility is to look at bottom-line. People need to know what auditors consider "sustainable", and auditor standards need to include sustainable development.

### **Phase 2.** During the second phase of the project

- The project leader will ask some SAIs to provide further information, by contacting SAIs with WSSD audits.
- The output is yet to be decided.

- For the purpose of Phase 2 and the output, the project leaders asked the participants in the room for feedback: What would be helpful for your SAI?

Participants offered the following feedback during the meeting:

- One component of WSSD is ecological, including Convention on Biological Diversity while another component is reduction of poverty. Auditing sustainable development is not quite correct, we should break down to audit social and environment as separate.
- We must explore whether or not to keep environment and social separate or to explore it together.
- One of the key concepts of sustainable development is that environment, social and economic are looked at together, so it is useful to look at them integrated. Using this theme, auditors can look at environment within energy, and integrate social into environment.
- We should show which SAIs have responded as well as how the government has responded.
- The final report should include a pie breakdown of response from countries auditing and involved in auditing sustainable development and table break down of aspects of the Plan of Implementation that are auditable and have been audited.

The project leaders had these final remarks

- Please send questionnaire response by the end of December 2005 to the SAI of the United Kingdom.
- See UN website Commission on Sustainable Development for future information if interested.

## **Tuesday, 1 November 2005—Afternoon**

### ***WGEA business meeting (cont'd.)***

#### **Evolution and trends in environmental auditing project**

##### **Highlights**

Ms. Vivien Lo from Canada provided a brief update of research activities and next steps on the evolution and trends in environmental auditing project. More information on Evolution and trends in environmental auditing's project work plan and progress report are available in the meeting material.

WG10 was an effective way to collect data through

- Papers and presentations from the interactive workshops
- Parallel session for evolution and trends in environmental auditing
- The distribution of four questions on a handout. These questions were originally tested during EUROSAI WGEA in Vienna, September 2005.

The meeting in Moscow was also an opportunity for the project leader to meet with sub-committee members from Australia, Chile, the United Kingdom, and the United States and get ideas on how to proceed with project.

After the research is complete, the sub-committee members will receive an outline for the paper. In the first half of 2006, they will receive a draft version of the paper to review.

- Participants were asked to answer four questions and send the answers to Vivien Lo at [vivien.lo@oag-bvg.gc.ca](mailto:vivien.lo@oag-bvg.gc.ca).
- The sub-committee for this project still needs representation from ARABOSAI region. The member would provide comments suggestions and review draft of the paper.

## **Expand tools to keep waste and water alive project**

### **Highlights**

Ms. Sissel Iversen, from Norway, and Ms. Sylvia van Leeuwen, from the Netherlands, gave an update on the waste and water project. More information on Expanding tools to keep waste and water alive's project work plan and progress report are available in the meeting material. The goal of this project is to provide information of waste and water to auditors via the WGEA Web site: (<http://www.environmental-auditing.org>).

The WGEA web site will contain two separate pages: one for waste and one for water. Both pages will have the following six categories:

- WGEA papers: Towards auditing waste management and Auditing water issues
- WGEA seminars and workshops on waste and water
- Environmental audit reports on waste and water
- International agreements on waste and water
- International organizations and Web sites on waste and water
- Examples of government policies on waste and water

Project leaders asked the participants to

- Send Web links or material on waste or water to the SAI of Norway and SAI of the Netherlands.
- Send summaries of waste and water audits in English and the full text of audit report (in their preferred language) to the Secretariat immediately or during the fifth survey. It would be convenient to receive audit reports in pdf (portable document format).

## **Fifth survey on environmental auditing project**

### **Highlights**

Ms. Carolle Mathieu from Canada provided an update on the fifth survey on environmental auditing. More information on the project, including the Fifth survey on environmental auditing's project work plan and progress report are available in the meeting material.

- The WGEA Secretariat will be sending the fifth survey to all 185 SAIs at the beginning of April 2006. (See postscript note below.)
- The responses to the survey will help the WGEA analyze the trends in environmental auditing and SAIs' needs regarding environmental auditing in preparation of the next three-year work plan.
- In addition, information collected from each SAI on audits conducted during the last three years will allow the WGEA Secretariat to update the Audits Worldwide section on its WGEA Web site.
- The WGEA Secretariat hopes to receive answers to its questionnaire in large numbers in order to have a good representation from each region. She noted that last time there was a low response from members in the ARABOSAI region.

The following are some of the changes from the fourth survey in 2003:

- Starting in 2007, Audits Worldwide will be updated at the beginning of each year instead of every three years. SAIs will receive a request at the beginning of each year.
- The questions for the fifth survey will be updated to keep up with current development.
- Electronic surveys will be for data analysis—SAIs will be asked to answer electronically if their technology permits.

**Postscript :** Upon further consultation with IT experts, the Secretariat has determined that further work will be needed and that the survey will be sent out in May 2006.

## **Implementation of the WGEA communication plan project**

### **Highlights**

Mr. Bob Robinson from the United States provided update on the WGEA communication plan. More information on the Implementation of the WGEA communication plan's project work plan and the progress report are available in the meeting material.

Bob noted that two documents have been produced to help meet the WGEA's communication goals:

- A new WGEA brochure, published this past summer with input from the Communication sub-committee and the steering committee, will help introduce WGEA to SAI leaders, their staff, and other external audiences.
- The first edition of Greenlines in a revised format was produced and posted on the WGEA Web site in September 2005. New sections included news briefs submitted by SAIs containing brief descriptions of environmental audits, or other items of interest on environmental issues, and a feature story focusing on one SAI's efforts to address a critical environmental issue.

Mr. Robertson thanked countries who provided articles. The news briefs were concise and interesting. He also thanked Costa Rica for providing a terrific lead story on pesticides. The SAI of the United States will also work to improve the newsletter and make it more useful to its members. He also noted that it was important for other SAIs to participate in communications.

- Participants can email suggestions to Bob at [robinsonr@gao.gov](mailto:robinsonr@gao.gov).
- It would be convenient for the U.S.A. to receive electronic submissions for Greenlines in MS Word (other formats are acceptable) by end of January 2006.

**Postscript :** The deadline for submitting articles was extended till 28 February 2006.

## **WGEA web enhancements project**

### **Highlights**

Mrs. Sylvie McDonald from Canada provided an update on WGEA Web enhancements necessary for WGEA members to communicate effectively with each other and with key target audiences.

- Mrs. McDonald demonstrated how to access WGEA meeting material on the WGEA Web site [www.environmental-auditing.org](http://www.environmental-auditing.org) under WGEA Business/Meetings.
- Participants are now required to provide user ID and password to access this material.
- Please contact Mrs. McDonald at [sylvie.mcdonald@oag-bvg.gc.ca](mailto:sylvie.mcdonald@oag-bvg.gc.ca) to get user id and password.

More information on the project, including the project work plan and the progress report are available in the meeting material.

## **Fundraising strategy project**

### **Highlights**

The Chair of the meeting, Mr. John Reed, noted that the Secretariat activities, including attendance at meetings has grown. The Secretariat wishes to help colleagues who cannot always attend meetings because of funding issues and will continue to work hard to seek financial support.

## **Next meeting**

### **Highlights**

- The fifth steering committee meeting will be held in Yogyakarta, Indonesia in June 2006.
- On behalf of Lemma Argaw, Auditor General of Ethiopia, Mr. Teyib Ali Mohammed announced that the sixth steering committee meeting will be held in the Ethiopian capital or Addis Ababa in January 2007. He wished everyone a safe journey home.

- The WGEA Secretariat is looking for a host country for the next working group meeting, scheduled for June 2007. SAIs that are interested in hosting a meeting are asked to contact the Secretariat.

## **Closing remarks**

Mr. Reed closed the meeting with the following remarks for participants to take home.

What will we say to our children about environmental protection? We have a compelling story to tell. You are all doing your best to make a difference.

The following three indicators will measure the success of this meeting:

- The amount participants learned about environmental auditing.
- New friends, a larger network, and wonderful memories of Russia and Accounts Chamber of Russian Federation have made the meeting a huge success.
- Participants are encouraged to put into practice what they learned at the meeting and come the next meeting with results from their first audit.

Mr. Reed thanked the SAI of the Russian Federation for their generosity and hospitality.

Meeting was adjourned at 4:00 p.m.

## **Participant list**

### **Hosts**

#### **The Russian Federation**

Sergey Vadimovich Stepashin  
Vitaly Brynkin  
Tamara Zlotnikova  
Nikolay Paruzin  
Ivan Dakhov  
Aleksandr Nazarov  
Irina Chiplakyan  
Vladimir Kuleshov  
Fyodor Shelyuto

### **Speakers**

#### **Natural Resources**

Valentin Stepankov, Deputy Minister of Natural Resources, Russian Federation

#### **Council Federation**

Yolande Sliska, Deputy Chairman of Council, State Duma, Council Federation

#### **United Nations Environment Programme (UNEP)**

Marcus Lee, Program Officer for Land, Division of Early Warning and Assessment

#### **World Bank**

Carman Lapointe-Young, Auditor General, Internal Audit

#### **Secretariat of the Convention on Biological Diversity**

Hamdallah Zedan, Executive Secretary

#### **United Nations Framework Convention on Climate Change Secretariat (UNFCCC)**

Feng Gao, Coordinator, Implementation Programme

#### **Audit Board of the Republic of Indonesia**

Anwar Nasution, Chairman

#### **Organisation for Economic Co-operation and Development (OECD)**

Christian Avérous, Head, Environmental Performance and Information Division

### **Special Guests**

#### **IDI**

Else Karin Kristensen  
Arcana Shirsat

#### **European Court of Auditors**

Armando Simões  
François Colling

#### **United Nations Framework Convention on Climate Change Secretariat (UNFCCC)**

Vitaly Matasarski, Deputy Co-ordinator UNFCCC Secretariat

## **WGEA members present**

### **Austria**

Heinrich Lang

### **Brazil**

Adylson Motta  
Valmir Campelo  
Omír Lavinas  
Cláudio Sarian Altounian

### **Bulgaria**

Ivanka Kesyakova

### **Canada**

Johanne Gélinas  
John Reed  
Carolle Mathieu  
Vivien Lo  
Sylvie McDonald  
Anne Charron

### **Chile**

María Argentina Guevara Weber

### **China**

Linghu An  
Luo Meifu  
He Jie  
Yu Guoqing  
Shutao Chang  
Cui Feng

### **Czech Republic**

Miroslav Kruchina  
Zdeněk Brandt  
Jana Koznarova

### **Denmark**

Yvan Pedersen  
Niels de Bang

### **Estonia**

Tuuli Rasso

### **Ethiopia**

Teyib Ali Mohammed

### **Iceland**

Ketill Sigurjónsson

### **India**

Parag Prakash

### **Indonesia**

Anwar Nasution  
Dewi Sukmawati

### **Korea**

Seung-Yeon Weon  
Deuk Joong Yoon

### **Kuwait**

Adnan Yousi Abulhassan  
Khaled Al-Awadhi

### **Latvia**

Arnis Strods  
Indra Žagare

### **Libya**

Mohammed Bait-Elmal  
Mohamed Zukar  
Mohamed Gambor

### **Lithuania**

Zita Valatkienė

### **Macedonia**

Metodija Toševski  
Tanya Tasevska

### **Malta**

William Peplow

### **Mongolia**

Batbayar Badamdorj

### **The Netherlands**

Pieter Zevenbergen  
Sylvia van Leeuwen

### **Norway**

Eirik Larsen Kvakkestad  
Lillin Cathrine Knudtzon  
Sissel Iversen

### **Pakistan**

Rashid Ahmed Saleh

### **Paraguay**

Gloria Herrero

### **Poland**

Zbigniew Wesolowski  
Ewa Borkowska-Domańska

### **Romania**

Elena Carmen Bragadireanu  
Băghină Domnica

### **Russian Federation**

Vladimir Kuleshov  
Fyodor Shelyuto

### **Saudi Arabia**

H.E. Osama Jaffar Faquih  
Mohammed Al Ruhalli  
Rashad Qasim  
Abdulrahman Al Ajlan  
Saad Khalaf Al Gethami

### **Slovak**

Igor Ciho

### **Sri Lanka**

Sarath Chandrasiri Mayadunne  
Sepalika Yakandawala  
Anura Gotabaya Ananda Ethugalage

### **Turkey**

Derya Kubali

### **Ukraine**

Volodymyr Pershyn  
Mariya Shulezhko  
Taras Prytula

### **The United Kingdom**

Sarah Billiald  
Laura Helm

### **The United States**

Robert Robinson



## **Other INTOSAI members present**

### **Afghanistan**

Mohammad Sharif Sharifi  
Abulsaboon Nasiri  
Akhtar Mohammad Shirzia

### **Albania**

Xhoxhi Bucka

### **Angola**

Eva Francisco da Costa Almeida  
João Fragoso da Fonseca  
Francisca Pedro Socola

### **Argentina**

Alfredo Fóllica

### **Armenia**

Aram Mamikonyan

### **Australia**

David Crossley

### **Azerbaijan**

Afgan Khudaguliyev

### **Bhutan**

Kunzang Wangdi

### **Botswana**

Entaile Botho

### **Fiji**

Tevita Bolanavanua

### **Finland**

Vivi Niemenmaa

### **Hungary**

Lajos Bank  
Rita Laczkovich

### **Iraq**

Muhsin Ahmad  
Salah Khalaf

### **Israel**

Hanna Israelowich

### **Kenya**

Benson Kariuki  
Mercy Muasya

### **Malaysia**

Hadenan Abdul Jalil  
Khalid Khan

### **Mexico**

Juan Manuel Portal-Martinez

### **Montserrat**

Florence Lee

### **Namibia**

Jefftha Kauaria  
Alan Hansen

### **Philippines**

Roberto Factora

### **Sierra Leone**

Joseph Syl-Bauns

### **Sudan**

Abubakr Abdalla Marin

### **Swaziland**

Robert Jabulani Dlamini

### **Tanzania**

Frank Mosses Mhilu  
Gregory George Teu

### **Tonga**

Pohiva Tuionetoa  
Tiofilusi Tueti

### **Vietnam**

Trong Le

### **Zambia**

Aggrey Mukalasha  
Evans Hayumbu Buumba

## **WGEA members absent**

Algeria  
Bangladesh  
Cameroon  
Colombia  
Costa Rica  
Cyprus  
Egypt  
El Salvador  
Georgia  
Guyana  
Iran  
Jordan  
Kazakhstan  
New Zealand  
Peru  
South Africa  
Turks and Caicos Islands  
Uganda  
Zimbabwe