INTOSAI: ACTIVE PARTNER IN THE INTERNATIONAL ANTI-CORRUPTION NETWORK; ENSURING TRANSPARENCY TO PROMOTE SOCIAL SECURITY AND POVERTY REDUCTION

Report on the 20th UN/INTOSAI Symposium on Government Audit

Vienna
11 to 13 February 2009

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1. EXECUTIVE SUMMARY

Organised by the United Nations (UN) in cooperation with the International Organisation of Supreme Audit Institutions (INTOSAI), the Symposium “INTOSAI – Active Partner in the International Anti-Corruption Network: Ensuring Transparency to Promote Social Security and Poverty Reduction” was held from 11-13 February 2009 in Vienna, Austria. This was the 20th interregional event that was jointly organised by the United Nations Division for Public Administration and Development Management (DPADM), Department of Economic and Social Affairs (DESA) and INTOSAI (20th UN/INTOSAI Symposium).

Approximately 170 delegates attended the meeting, including more than 40 heads of Supreme Audit Institutions (SAIs) from industrialised and developing countries, high-ranking representatives of the United Nations (UN), the Organisation for Economic Cooperation and Development (OECD), the World Bank, the Institute of Internal Auditors (IIA), anti-corruption agencies such as the European Anti-Fraud Office (OLAF), the United Nations Office on Drugs and Crime, and the International Criminal Police Organization (INTERPOL).

Speakers were delegated by INTOSAI, the United Nations, the World Bank, the OECD, UNODC, OLAF, INTERPOL and IIA as well as by the SAIs of South Africa, the Russian Federation, Ukraine, Kuwait, Peru, Egypt, Korea, Hungary, Cameroon, Poland and Brazil. A staff member of the SAI of the United Kingdom acted as technical chair. For a summary please refer to section "2. OPENING OF THE SYMPOSIUM".

The Symposium addressed the following topics:

1. INTOSAI as active partner in the international anti-corruption network;
2. International agreements in the fight against corruption to promote the realisation of the millennium development goals;
3. National experiences in the practical implementation of international recommendations on fighting corruption;
4. Best practice in the fight against international money laundering and corruption;
5. Role of SAIs in fighting corruption and promoting transparency;
6. Anti-corruption measures required from the perspective of the donor community;
7. Measures to fight corruption and promote transparency, in particular in public procurement;
Moreover, representatives of the SAIs of Colombia, Cuba, Ecuador, Honduras, Iraq, Italy, Moldova, Namibia, the Netherlands, Panama, Paraguay, Senegal and Venezuela shared their experiences in country reports.

In the lively plenary debates following the main presentations, the delegates could engage in an exchange of experiences.

The matters raised in the plenary were discussed at length in six working groups on the basis of three pre-defined questions relating the role of SAIs in the fight against corruption. Moreover, recommendations were passed with a view to a follow-up on the Symposium initiative.

The groups reported back to the plenary about their work and were given feedback.

For a summary of the outcome of the working groups, please refer to section "4.3 RECOMMENDATIONS".

The participants at the Symposium unanimously agreed that corruption is an all-encompassing, global problem which jeopardizes public finance, legal systems and social prosperity, endangers social security, and stands in the way of poverty reduction.

The participants considered the following issues as particularly relevant:

- Strengthen and promote international and inter-institutional cooperation in the fight against corruption and promote the exchange of information to ensure a better transfer of know-how and strategic cooperation between institutions involved in the fight against corruption;

- Set up a global network for the fight against transnational corruption so as to facilitate the different tasks and enable the development of a data and information pool;

- Step up cooperation between individual SAIs and INTOSAI, including its Regional Working Groups, with international organisations such as the UN organisations, IPU, the World Bank, OECD, Interpol, IIA, OLAF, as well as with civil society;

- Develop appropriate guidelines and manuals (best practice notes) and promote strategic cooperation within the framework of INTOSAI to fight corruption, fraud and mismanagement, and communicate these guidelines and best practice notes as appropriate involving the INTOSAI Development Initiative (IDI) and other stakeholders;
• Create a constitutional framework for SAIs which guarantees comprehensive audit mandates and unrestricted access to information, allows SAIs to make their reports public, and such creates transparency and contributes to better prevention;

• Integrate the Lima and Mexico Declarations in a UN resolution, since these texts formally require SAI independence in functional, organisational and staffing terms that is essential for effective government audit;

• Develop a best-practice guide for the implementation of the Lima and Mexico Declarations and promote appropriate training and peer reviews.

For a list of speeches, technical papers and working group presentations – all of which are available electronically only – and a list of participants, please refer to "ATTACHMENTS".

Section "3. DELIBERATIONS OF THE SYMPOSIUM" contains a summary of all suggestions and proposals made in the technical papers and presentations, working groups and statements in the plenary meetings of the Symposium.

The conclusions and recommendations in Section "4. CONCLUSIONS AND RECOMMENDATIONS" were agreed on verbatim by the participants of the Symposium and unanimously adopted in the plenary session.

In a survey that is outlined in detail in Section "5. EVALUATION", the participants rated the Symposium extremely relevant and successful.
2. OPENING OF THE SYMPOSIUM - OVERVIEW

The President of the Republic of Austria, Dr. Heinz Fischer, sent a video message for the opening of the 20th UN/INTOSAI Symposium.

In his message, he cordially welcomed all participants at the Symposium and stressed that he was highly aware of the importance of cooperation among Supreme Audit Institutions world-wide within the framework of INTOSAI and that he was filled with pride that Austria has been hosting the INTOSAI General Secretariat for almost 50 years.

He maintained that control and oversight were a sine qua non for a well-functioning democracy and a sound political system, with the fight against corruption being of particular relevance.

The Secretary General of INTOSAI and President of the Austrian Court of Audit, Dr. Josef Moser, welcomed the participants and thanked the United Nations as the co-organiser of the Symposium for more than 40 years of outstanding cooperation.

Dr. Moser outlined that corruption posed a major threat to the rule of law, the fundamental principle of democracy as well as to economic stability. He claimed that it was the task of the international community of nations to effectively address the challenges arising in the fight against corruption.

The Symposium was to make the different tasks of all partners involved in the international anti-corruption network transparent, shed light on mutual expectations and specify the conditions that need to be met for SAIs to be able to make an effective contribution to this endeavour.

It is uncontested that for the fight against corruption to be effective, transparency must be created and all relevant bodies and authorities must cooperate, ensuring that all institutions involved can deliver the tasks entrusted to them and that information can flow freely.

For this reason, the Symposium entitled “INTOSAI – Active partner in the international anti-corruption network: creating transparency to promote social security and poverty reduction” had been organised with a view to stepping up cooperation and enhancing the exchange of information.

The representative of the United Nations, Thomas Stelzer, Department of Economic and Social Affairs (UNDESA), underlined the need for cooperation in the fight against corruption.
Corruption is the reason for lacking development and a structural obstacle to the development of nations. As part of their anti-corruption efforts, the United Nations had adopted the United Nations Convention Against Corruption in the year 2003, which then entered into force in 2005. The purpose of the Convention is to promote and strengthen measures to prevent and combat corruption more efficiently and effectively, as well as to promote integrity, accountability and proper management of public affairs and public property.

As corruption is often linked with other crimes such as e.g. money laundering, a global and multi-disciplinary approach to fighting these phenomena is called for, including the involvement of civil society. Knowledge management, the use of statistical methods, instruments to promote transparency and participation in political decision-making may contribute to improving good governance and preventing corruption.
3. DELIBERATIONS OF THE SYMPOSIUM

3.1 INTRODUCTION

The presentations and discussions at the Symposium demonstrate that INTOSAI, its regional groupings and its constituent SAIs are indeed active partners in the international anti-corruption network.

INTOSAI and its member organisations contribute to this fight in a number of ways – as the title of the Symposium suggested, the work that SAIs undertake to promote transparency in reporting the financial performance of government, and in investigating the efficiency and effectiveness of the business of government mean that operations are scrutinised in a way that poses risks to the corrupt official or fraudster.

The Secretary General, in his presentation pointed to the preventative benefits of the work of SAIs. If corrupt officials feel that there is a risk that their misdeeds may be uncovered, then this might pose to them too high a risk to carry out a corrupt act.

However, the work of SAIs and of INTOSAI is not just limited to this area – discussions have revealed that SAIs are rich in human capital, and where they are independent and properly resourced, and where they are supported by adequate training and technical assistance then our effectiveness as a partner in the battle against corruption is at its greatest.

That does not mean that we may rest, satisfied in what we do – the achievements of SAIs are uneven. Some, for instance, are able to directly influence the development of legislation and policy designed to tackle corruption. We learned of the role of the Accounts Chamber of the Russian Federation in influencing the agenda of the State Anti-Corruption Council, and the development of an anti-corruption plan. However, other SAIs do not have within their mandates the ability to be able to influence and develop policy or legislation.

Whilst SAIs are able to reflect many achievements, much remains to be done in improving the sharing of our work and the sharing of best practice. Many of those present at the Symposium called for greater efforts to replicate the work done by INTOSAI's working group on anti-money laundering and anti-corruption, which as part of its objectives for the period 2008-11 (under the chairmanship of the SAIs of Peru and Egypt) is developing a website to post all materials which will be of assistance to SAIs in tackling the risks of money laundering and corruption within government.
In summarising the results of our Symposium, therefore, this paper has chosen to focus on three areas – the things that INTOSAI and its members currently do well, those areas where more remains to be done, and those areas where we face real weaknesses and challenges.

3.1.1 INTOSAI – The active partner

In accordance with the Lima Declaration, and the more recent Mexico Declaration, the functional independence is key to the role of the SAI. Auditors General must be free to determine their own work plans, and access to information must be across government. No areas should be off limits to the SAI, and as a result there should be no area of government that can be used to conceal corrupt activity on the part of officials. To support this work INTOSAI has developed codes of ethics and conduct which ensure that auditors act with integrity in carrying out their work.

By using the audit of financial statements, and by carrying out performance audits SAIs can ensure that resources are being used effectively and are being used for the purposes for which they were voted by national Parliaments. Where the results of these examinations suggest impropriety, then SAIs are placed to investigate further or to refer areas of concern to the appropriate authorities. In the Ukraine, for instance, we learned how the SAI has put in place an extensive network of agreements with state organisations and the judicial system to allow for the sharing of information and the referral of suspect cases to allow the targeting of corruption.

Because SAIs have a unique position, and have an overview of the entire operations of government, then they are well placed to understand those areas where there is a significant risk of fraud and corruption. In both Poland and the United Kingdom for example, auditors carry out risk assessments that explicitly consider the risks of fraud or corruption. If identified these risks can be properly investigated.

Because of their positions, SAIs are also able to gain a better understanding of the drivers of fraud and corruption. In Africa, auditors are working to build a database of drivers for fraud and corruption, and SAIs are using their experience to carry out gap analysis to gain a better understanding of the environment that corruption can take place in. This exercise is of vital importance – in every country of the world, the business of government becomes progressively more complex. This may be because the remit of government has expanded, for instance through the nationalisation of financial organisations as a result of the current economic circumstances. Or it may be because states develop new IT systems to support the payments of benefits, or to carry our public procurement activities.
Where governments undertake new activities, their abilities to carry out these tasks may be constrained because of a lack of experience, which may increase the risk of corrupt activity. However, INTOSAI members are fortunate as they can draw on the experience of other members to tailor their work accordingly. Again, the Accounts Chamber of the Russian Federation has drawn on the experience of the UK National Audit Office in auditing preparations for the 2012 London Olympics, to design work plans to examine public expenditure committed to the preparations for the 2012 APEC summit in Vladivostok, and the 2014 Sochi Winter Olympics.

One of the difficulties in dealing with fraud and corruption is the lack of a common definition. The passing of the UN Convention on Corruption, has, for the first time, moved towards providing a universal framework. However it will take time for national legislatures to reflect this into law, and for this to be further refined. INTOSAI is therefore well placed to provide standards and guidance that helps to explain to the auditor the risks that they face and the work that they must do. This has already happened in the case of fraud with the development of an INTOSAI Standard for Supreme Audit Institutions (ISSAI 1240), and this has demonstrated the need for the development of a similar standard to cover corruption, and the audit work that must be carried out to reduce the risk of it occurring, through the development of robust and effective internal control, systems.

Our Symposium learned from the OECD that INTOSAI’s approach to the challenges of fraud and corruption accorded well with the work being taken forward by that organisation. At the heart of the OECD’s work were proposals to enhance governance and internal control by focusing on control, guidance and management. The presentation allowed the Symposium to draw parallels between the OECD’s work on providing better guidance and INTOSAI’s work on devising auditing standards and guidance, and also engaging in capacity building programmes, both through INTOSAI’s Goal 2 Committee and also by engaging with the INTOSAI Development Initiative (IDI). Many speakers referred to their own organisations efforts to eradicate internal corruption as a way of demonstrating to government what they too, can do.

There are two further areas to identify which show how INTOSAI is an effective partner in the anti-corruption fight. SAIs are able to report their findings to Parliament, or in some cases to their Head of State. SAIs are also able to publicly report their findings, which again enhances the deterrent effect, referred to by the Secretary General. Showing the results of our investigations and audits will also provide a valuable reserve of material to those organisations that wish to learn from the INTOSAI experience of how to tackle corruption.

The second and final of the areas to note is that, as explained in the UK presentation fraud is a dynamic and ever changing business and threat. It is vital, that in carrying out our risk analyses (as happens in Poland), or in carrying out the corruption gap analysis (as happens
in South Africa) then we need to be forever on the lookout for the next threat or challenge. The fact that these issues have been platformed to such good effect shows that INTOSAI in all of the above respects is an active partner in anti-corruption efforts.

### 3.1.2 INTOSAI – Areas for development

Many speakers were able to also discuss at the Symposium their concerns and challenges – many, it is fair to say derive from the ever growing complexity of government at a time when the resources provided to SAIs has not perhaps kept pace with this need.

Whilst some SAIs accord fully with the Lima and Mexico Declarations, others still work to lobby their legislatures to argue for the organisational and resource independence that the declarations require. INTOSAI, working with international organisations like the UN and the World Bank should continue to push for international recognition of the aims and objectives of Lima and Mexico to support all SAIs in achieving these freedoms which will allow them to better fight the challenges posed by corruption and fraud. Whilst the invaluable work of IDI offers support and training to SAIs this can only be used to best effect where there is the legislative freedom and powers for SAIs to examine and report on all, areas of government expenditure and income.

In our discussions we already noted the benefits offered by providing standards and guidance, especially in those areas which are complex and which are dynamic and developing. Many speakers emphasised the need for a corruption equivalent to ISSAI 1240; however, it may be necessary for some SAIs to think further than that.

SAIs will all have different mandates and some with have greater responsibilities than others in respect of tackling corruption. Increasingly in the private sector, in addition to standards auditors are sometimes seeking additional, fraud or anti-corruption qualifications to give them extra experience and understanding to tackle the risks that they have to address in their day-to-day work. In the UK, the University of Portsmouth, for instance has offered a counter fraud examiner accreditation which to date has been granted to some 9,000 people, mostly in the public sector. Whilst this is an additional cost to the employer, and the additional qualification might run the risk of making individuals more desirable to other employers, the increasing complexity of business and the consequent risks of corruption may make this necessary. In addition, where corruption cases are subject to prosecution, without appropriate training, if evidence is handled incorrectly by SAIs then it may not be admissible. It may be that closer working with the UN, particularly as the anti-corruption academy is developed offers a route to address this. IDI would be well placed to disseminate these lessons further to all INTOSAI member states.

Many participants in the Symposium also made calls for ways of better sharing data. Increasingly the use of the Internet offers a way of sharing information, although to date
this has relied more on the initiative of member states rather than because a consistent INTOSAI line has been adopted. We learned of the good practice offered by the SAI of Peru in hosting the anti-money laundering and anti-corruption website, and also from the SAI of Korea which has developed the UN/INTOSAI platform following a resolution at the XIXth INCOSAI intended to allow better information sharing to help achieve the targets set out in the Millennium Development Goals.

The Symposium welcomed, therefore, the suggestions of the SAI of Columbia for the development of a best practice site dealing with approaches to auditing public procurement and how to identify the most significant areas of corruption risk with view to being able to make recommendations, which will address those risks. The discussions underlined the importance of SAIs being able to identify not only current, but also future risks.

Many of the presentations and discussions drew on the experience of member states of using IT solutions to better disseminate information, or to better support auditors. A number of SAIs now employ computerised audit software packages which allow the SAI to ensure that its auditors follow systematic guidance when carrying out their roles, and also that all audit teams act in a consistent manner. Other SAIs have used websites to post information, but more could be done with appropriate investment to provide more virtual resources to better support SAIs in their work as active partners in fighting corruption. This will also better facilitate the sharing of cross border information, given that many examples of fraud and corruption are now truly transnational. Where this is the case, a single country addressing corruption and fraud may indeed be successful in addressing its national risk, but it may do so at the expense of exporting the problem to neighbouring states.

The specific recommendations of the working groups to address these issues are set out below:

- Professionalisation, and the adoption of best practice, along with the use of established skills and by benchmarking performance will better assist SAIs to contribute towards the fight against corruption. This may also include the development of appropriate competence and capacity (where mandates allow) to assist relevant authorities in fighting corruption. SAIs should also lead by example by consolidating and disseminating a culture of transparency, openness, disclosure, accountability and a commitment to appropriate codes of conduct and ethics;

- SAIs should take a lead responsibility for developing and implementing standards of good governance including transparency, full disclosure and accountability;

- During audit missions SAI auditors should routinely perform detailed risk analysis, including corruption risks analyses, however, in order to do so their analytical skills will need to be strengthened;
• As part of their mission to ensure best professional practice, high ethical standards, enhanced governance and an effective fight against corruption, SAIs should consider how they can best ensure that stakeholders know how to communicate their concerns about corruption risks, and also how the SAI can best communicate corruption risks to parliamentary and government stakeholders;

• SAIs should take responsibility to develop themselves and enhance their audit approach (capacity, competence and methodology) with a focus of contributing to preventing fraud and corruption, and to use international cooperation as a way of delivering this, including through INTOSAI, regional groupings and IDI. This should be used to establish, publish and disseminate professional auditing standards on the widest possible scale;

• In view of the financial crisis and in particular the expansion in state ownership this has resulted in within the financial sector, it is important to have an inventory of SAI competences to devise and develop best practice, as SAIs currently have limited and vastly divergent competencies in this area;

• SAIs should design a map of corruption risks within different government entities, as well as a corruption prevention plan. This should provide follow-up mechanisms for audit findings designed to enhance internal control systems, information systems and build capacity in audited bodies;

• Other INTOSAI regional groups could draw on the experience of OLACEFS to provide a handbook of advice to SAIs for areas of interest;

• INTOSAI should facilitate inter SAI peer reviews so that SAIs can request an impartial assessment of their efforts to tackle corruption risk;

• INTOSAI should work with IIA to develop guidance on the role of internal audit and determine how this can be used to support the work of SAIs as a source of assurance. In particular effective and preventative internal audit in all government organisations, will ensure the timely detection of fraud, symptoms of corruption and the misuse of public funds.

Whilst the INTOSAI family, therefore, faces some challenges, progress is already being made in a number of these areas. If these can be replicated amongst all SAIs, then INTOSAI’s effectiveness as a partner will be further enhanced.
3.1.3 Remaining challenges

Many of the speakers at the Symposium made much of the fact that INTOSAI draws its richness in human capital from the SAIs that are its members. This is reflected in the innovative and far-sighted approach to tackling corruption risks that many members have adopted in their own countries, and by the many examples of good practice that were shared during the course of our discussions.

The SAI of Norway as Head of IDI pointed out that although rich in experience and willingness to cooperate in tackling risk, this is reliant on donor organisations providing funds. The World Bank has already stated its ongoing commitment to working with INTOSAI to delivering this, but there is a risk that without long term donor funding, INTOSAI activity becomes a stop-start process carried out only when funding allows. The same applies to the need to invest in better information technology to share best practice, or create a virtual resource, which all SAIs can access.

Whilst our auditing precepts and guidance are strong, some SAIs have yet to secure the support of their governments or legislatures to achieve full organisational, operational and financial independence. As a result the scope of audit activities may be curtailed, or resources may be inadequate to employ the sometimes specialist resources that are needed to support anti-corruption work.

The Secretary General has therefore voiced the wishes of many members with a suggestion that the Lima and Mexico Declarations be incorporated within a UN resolution to enshrine audit independence and full access to information, as well as complete freedom to report the findings of our work sustainably and at the highest level.

Finally, as was discussed on several occasions, tackling fraud and corruption is complex - wrongly handling information may compromise its admissibility in judicial proceedings. It is important; therefore, that INTOSAI considers what additional support SAIs may need as the work carried out to tackle corruption gets more and more technically demanding.

The specific recommendations of the working groups to address these issues are set out below:

- Strengthening and enhancing the ties and relations to other institutions, which are involved in safeguarding integrity and fighting corruption in all forms, as well as promoting coordination, the exchange of information and strategic cooperation with these institutions;
• Professional training should be provided to staff in the SAIs of developing countries, by not only ensuring the continuation of existing training programmes and measures, but also by providing the necessary resources for financing such training programmes;

• Partnering of SAIs with international organisations should help SAIs to build the required capacities and develop the analytical instruments that they need to address the problems they face in fighting corruption, as long as this does not jeopardise SAI independence;

• SAIs should lobby governments and Parliaments to be able to apply in full the principles of independence adopted by INTOSAI, and also to ensure that their mandates allow for full access to information to make the audit process as efficient and as well informed as possible – this may require awareness building amongst legislators on the importance of transparency and accountability;

• SAIs should include in the audit reports recommendations to amend legislation with view to making their interventions in this area more efficient. Where mandates allow, policy initiatives should be provided for SAI scrutiny so that weaknesses that would increase corruption risk can be identified and addressed;

• SAIs should promote specific collaboration between themselves under the auspices of INTOSAI to tackle organised crime, including through the preparation of suitable operational manuals that are unanimously adopted. It was also suggested that strategic cooperation could be enhanced through the development of new technologies and internet communication tools, such as an INTOSAI Online Collaboration Tool;

• Many organisations have the responsibility to fight against fraud and corruption – donor institutions must make sure that funding is used as intended and must also ensure that national governments make public commitments to fight corruption. Particular focus needs to be given to building up and properly funding national infrastructure to facilitate this;

• SAIs should report directly to their legislatures in order to avoid any influence from executive bodies;

• There needs to be a UN resolution referring to the Lima and Mexico Declarations which formally states, and requires the full independence of SAIs, and of their Auditors General;
• Consider establishing a global network against transnational crime and corruption and allow INTOSAI and its members to contribute towards its development and utilise the information that it generates. The funding for this should come from international institutions and should facilitate the creation of a repository of information designed to tackle transnational corruption.

3.2 SUMMARY

Overwhelmingly, INTOSAI has shown itself to be an active partner in tackling the risks posed by corruption and also those posed by fraud. The Symposium has shown that much has been achieved, and we have also be able to identify those areas where work is in progress, as well of those in need of more fundamental assistance.

INTOSAI is unique in that it has global reach, and its members have experience of the working of every type of government operating every type of operational system. It is the SAI staff who often see examples of corruption in their day-to-day work, and it is the staff of SAIs who report these findings to the judicial authorities without fear or favour.

In this environment there is always more that can be done with the right support and investment, and it is right that the results of our Symposium draw attention to these areas. It is clear that as a result of our discussions, although there are areas for further work, INTOSAI and its members are most definitely active partners in the fight against corruption.
4. CONCLUSIONS AND RECOMMENDATIONS

4.1 FRAMEWORK

AWARE that corruption is a pervasive, global problem which threatens public finance, legal order and social prosperity, endangers social security and impedes the reduction of poverty;

ENDORISING the United Nations Convention Against Corruption (UNCAC);

REAFFIRMING the 1977 Lima Declaration of Guidelines on Auditing Precepts and the international Standards of Supreme Audit Institutions, as well as the 2007 Mexico Declaration on SAI Independence, which emphasise the importance of independent and professional SAIs as a fundamental prerequisite for effective government audit and the effective prevention of fraud, corruption and mismanagement;

UNANIMOUSLY AGREEING that SAIs can fulfil their roles objectively and effectively only if they are constitutionally endowed with organisational independence and full and unrestricted access to information;

CONVINCED that close global cooperation of all stakeholders is the best possible means to solve the problem of corruption across countries and institutions;

COGNIZANT of the essential importance of cooperation and networking for all institutions involved to perform their responsibilities effectively as part of a well-functioning exchange of information within the terms of the United Nations Convention Against Corruption (UNCAC);

EMPHASIZING the need to mutually develop preventative and detective measures and to engage in effective training and support activities to fight corruption;

CONCERNED that the problem of corruption may aggravate the global financial and economic crisis;

AWARE that transparency is an indispensable element in the effective fight against corruption;

FIRMLY CONVINCED that independent government audit is a key pillar within the constitutional framework and that only an audit function that is independent of the executive can deliver substantive added value in solving the major challenges of our times;
4.2 RESPONSIBILITIES AND ROLE OF GOVERNMENT AUDIT

4.2.1 INTOSAI

NOTING that INTOSAI considers it as its main task to increase transparency, promote good governance, guarantee accountability, fight corruption and strengthen public confidence in government institutions and their work; through the execution of audit work and by ensuring that audit recommendations are systematically followed up;

AWARE that INTOSAI must lead by example in the fight against corruption and is fulfilling its responsibility to ensure transparency and prevention through a host of activities and measures;

ACKNOWLEDGING the activities INTOSAI has deployed so far in the fight against corruption and mismanagement within the framework of

- the UN/INTOSAI seminar on the *Role of SAIs in Fighting Corruption and Mismanagement* (1996),

- the outcomes of the INTOSAI Congress of 1998 in Montevideo which identified the collection of levies (in particular customs) and charges, public procurement, privatisation processes, the awarding of subsidies or the recruitment of public servants, as government areas that are especially prone to corruption,

- the Second Global Forum of the Interparliamentary Union (IPU) on *Fighting Corruption and Safeguarding Integrity* (2001),

- the UN/INTOSAI Symposium on the *Value and Benefits of SAIs in a Globalised Environment* (2007),

- the work of INTOSAI’s Regional Working Groups,

- the *INTOSAI Working Group on the Fight Against International Money Laundering and Corruption*;

- the *UN/INTOSAI Platform on Public Accountability*, and

- cooperation of INTOSAI with the donor community as a contribution to realizing the United Nations Millennium Development Goals;
REAFFIRMING the recommendations of the INTOSAI Congress of Montevideo for SAIs to effectively contribute to the fight against corruption, in particular:

- the financial, functional and operational independence of SAIs,
- an audit mandate that is as comprehensive as possible,
- a focus of the SAI’s audit strategy on those areas and transactions which are most susceptible to corruption,
- the publication of audit reports and the development of effective media contacts,
- an active role in evaluating the efficiency and effectiveness of financial and internal control systems (in particular of internal audit),
- cooperation of SAIs with national and international organisations that are involved in the fight against corruption;
- promoting and/or implementing a code of ethics for the public service;

4.2.2 SAIs

EMPHASIZING the primary goal of SAIs of making government operations more transparent, efficient and effective and their resultant key role in ensuring good governance and fighting corruption;

RECOGNIZING that government audit as exercised by SAIs creates transparency, makes risk potentials visible and builds robust and effective internal control to contribute specifically to the prevention of corruption in line with the spirit of the United Nations Convention Against Corruption (UNCAC);

REAFFIRMING that SAIs which report their audit findings and recommendations to Parliament and publicize them through the media ensure a climate of transparency that contributes significantly to preventing and detecting corruption;
4.3 RECOMMENDATIONS

The participants of the Symposium

BELIEVE in the need to promote integrity, by building a culture which rejects corruption, closes gaps in audit coverage and ensures responsible governance to maintain and enhance accountability and transparency, and to deter fraud and corruption;

RECOMMEND with this in mind to create and/or strengthen the required legal bases (anti-corruption laws including codes of conduct and codes of ethics) as well as strong institutions that address corruption, fraud and mismanagement both for the public and the private sector;

CONSIDER IT NECESSARY, therefore, to continue to strengthen international cooperation of all bodies involved in the fight against corruption, to consolidate their different approaches, to optimise the exchange of information for a better transfer of know-how and to step up training activities;

UNDERLINE the need for close cooperation of Supreme Audit Institutions (SAIs) and INTOSAI, including its Regional Working Groups, with international organisations, e.g. the UN organisations, IPU, World Bank, OECD, Interpol, IIA, OLAF, and civil society in an anti-corruption network;

UNDERLINE the need to pursue an interdisciplinary approach in fighting corruption that addresses the diverse forms in which corruption manifests itself;

WELCOME the goals of the INTOSAI Working Group on the Fight Against International Money Laundering and Corruption consistent with the fulfilment of the responsibilities of INTOSAI and SAIs in the fight against corruption:

• Strengthen cooperation and support between INTOSAI and SAIs to prevent and detect corruption and money laundering, facilitate the exchange of information and the development of typologies and guidelines for use by SAIs,

• Strengthen cooperation between INTOSAI and international organisations involved in fighting corruption,

• Identify national rules, measures, policies and programmes for SAIs to detect and prevent corruption,

• Identify relevant anti-money laundering and corruption training programmes and cooperate with IDI when specialist training is needed,
WELCOME the drafting of INTOSAI standards and best-practice notes for SAIs to fight corruption, fraud and mismanagement and the appropriate communication of such standards and best-practice notes involving the INTOSAI Development Initiative (IDI) and other stakeholders;

RECOMMEND that the Working Group devote special attention to the themes and recommendations identified by the INTOSAI Congress in Montevideo, so as to strengthen the contribution SAIs can effectively make to the fight against corruption;

CONSIDERS APPROPRIATE that INTOSAI pays attention to the fight against corruption and mismanagement in its next Strategic Plan 2011-2016;

CONSIDER it APPROPRIATE that SAIs focus their audits on the areas identified by the INTOSAI Congress of Montevideo in terms of risk-orientation;

CONSIDER it INDISPENSABLE to ensure in line with the Declarations of Lima and Mexico an appropriate constitutional framework which provides for a comprehensive audit mandate, unlimited access to information, allows for the open publication of SAI reports, and supports SAI institutional capacity-building and staffing to provide organisational and financial independence in order to enhance SAI credibility for an effective fight against corruption, fraud and mismanagement;

CONSIDER it helpful to work out best practice guidance for the implementation of the Lima Declaration and emphasise the importance of appropriate training and the importance of peer reviews;

ARE CONVINCED that the Declarations of Lima and of Mexico should be integrated in the body of law governing the international community of nations through a pertinent UN Resolution, as these texts protect the independence of SAIs in functional, organisational and staffing terms that is required for effective government audit.
5. EVALUATION

It was the primary objective of the Symposium to strengthen and promote international and inter-institutional cooperation in the fight against corruption as well as to foster an exchange of information with a view to improving the transfer of know-how as well as strategic cooperation between these institutions.

The participants were to identify strategies and potentials for building a global network against transnational corruption so as to facilitate the many tasks SAIs are expected to deliver and enable the development of a data and information pool.

Moreover, the Symposium was to give participants an appropriate platform for an extensive exchange of experiences on models and best-practice approaches in the fight against corruption.

The level of participation (large number of delegates and represented SAIs / organisations) demonstrates the vivid professional interest in the issues discussed, and the positive and lively contributions in the plenary and breakout session are evidence of the serious commitment and willingness to exchange and analyse lessons learnt and to provide mutual support through the development of networks.

At the end of the Symposium, the participants were asked to complete a questionnaire to determine to what extent the above objectives had been met.

Analysis of the replies (approx. 60% response rate) has showed that the objectives of the Symposium were met to an outstanding degree. An overwhelming majority of the participants rated the Symposium as positive (85 % highly positive, 13 % positive). In their replies, 90% of the respondents said that the topic chosen was “extremely relevant”, 10% considered it “highly relevant”. 62% felt that the know-how gained could be “extremely well” used at their SAIs, against 37% who said it could be “very well” used at their SAIs. 73% rated the professional benefit as “extremely high”, 23% said it was “high”. 68% of the respondents said that the structure of the Symposium, consisting of presentations, group work and discussions, and its organisation were “excellent”, and 31% said it was “good”. 79% rated the benefit from exchanging experiences in working groups as “very high”, compared to 21% who said it was “high”. 86% of the respondents were “extremely satisfied” with the organisation of the Symposium, 13% “very satisfied”.

Most of the comments received suggested to

- allocate more time for group work;
- allocate more time for discussions;
- ensure a follow-up on the topic of the Symposium.
ATTACHMENTS

Speeches and presentations (available only electronically\(^1\))

1. Opening

   1.1 Dr. Heinz Fischer, President of the Federal Republic of Austria

   1.2 Dr. Josef Moser, President of the Austrian Court of Audit, Secretary General of INTOSAI, Austria

   1.3 Dr. Thomas Stelzer, United Nations/DESA

2. Technical contributions

   2.1 Role of SAIs in fighting corruption
   Terence Nombembe, Auditor General, SAI South Africa

   2.2 Combating international money laundering and corruption;
   Dr. Sergey Vadimovich Stepashin, Chairman of the Accounts Chamber, SAI Russian Federation

   2.3 Enhancing transparency and anti-corruption measures by the OECD;
   Janos Bertok, Organisation for Economic Co-operation and Development (OECD)

   2.4 Strategies relating to the implementation of UNCAC (UN Convention Against Corruption);
   Dorothee Gottwald, United Nations Office on Drugs and Crime (UNODC)

   2.5 National Experience of Practical Application of International Recommendations on Fighting the Corruption;
   Valentyn Symonenko, Chairman of Accounting Chamber, SAI Ukraine

   2.6 Necessary anti-corruption measures from the perspective of the donor community;
   Peter Harrold, World Bank

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\(^1\) Electronically available as \(\text{".pdf"}\):
http://www.intosai.org/en/portal/events/un_intosai_seminars/chronology/
2.7 Promoting Transparency and Fighting Corruption, especially in Public Procurement;
   Khalid Al-Abdul Ghafour, SAI Kuwait

2.8 Best practices in combating international money laundering and corruption from the perspective of the Working Group on the Fight against Corruption and International Money Laundering;
   Dr. Noemí Gallegos Peirano, SAI Peru

2.9 Best Practices in combating international money laundering and corruption;
   Hoda Habib, SAI Egypt

2.10 UN/INTOSAI Platform: Focus Area Fighting Corruption;
    Ilho Nam, SAI Korea

2.11 Experiences of the State Audit Office of Hungary in fighting against corruption;
    Dr. Arpád Kovács, President SAI Hungary

2.12 Fight against corruption in Cameroon;
    Cornelius Asafor Chi, SAI Cameroon

2.13 Role of the Supreme Chamber of Control (NIK) in fighting corruption in Poland;
    Jacek Koscielniak, Vice President SAI Poland

2.14 Discussion paper to promote cross-country, inter-institutional and cross-jurisdictional collaboration in fighting corruption;
    Mark Babington, Technical Chair, SAI United Kingdom

2.15 Initiatives for fighting corruption: practical case of the brazilian SAI;
    José Reinaldo da Motta, SAI Brazil

2.16 Anti-corruption action plan of the European Commission;
    Dr. Wolfgang Hetzer, General Director, European Anti-Fraud Office (OLAF)

2.17 Prosecuting corruption worldwide;
    Laurent Grosse, INTERPOL

2.18 The Role of internal audit in preventing and detecting misuse, fraud and bribery;
    Chairman, The Institute of Internal Auditors, Inc. (IIA)
3 Country reports

3.1 Ecuador
3.2 Honduras
3.3 Iraq
3.4 Italy
3.5 Cameroon
3.6 Cuba
3.7 Moldova
3.8 Namibia
3.9 Netherlands
3.10 Panama
3.11 Paraguay
3.12 Portugal
3.13 Senegal
3.14 Venezuela

4 Working group reports

4.1 Arabic working group
4.2 English working group 1
4.3 English working group 2
4.4 English working group 3
4.5 French working group
4.6 Spanish working group
List of Participants

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Mark Babington

Presenters:

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José Reinaldo da Motta

Egypt  
Hoda Habib

Hungary  
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Laurent Grosse

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Vasyl Nevidomyi

United Nations  
Thomas Stelzer

UNODC  
Dorothee Gottwald

World Bank  
Peter Harrold
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<th>Country</th>
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