



MANDATE from the EUROSAI Governing Board and Congress

To promote the relevance of ethical
conduct and integrity

•In **SAIs**

•In **public organisations**



TWO MAIN GOALS:

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



30 SAIs have so far participated in the TFA&E

Albania	Bulgaria	Bosnia and Herzegovina
Croatia	Cyprus	Czech Republic
European Court of Auditors	Finland	Fyr of Macedonia
France	Germany	Greece
Hungary	Iceland	Israel
Italy	Malta	Moldova
Montenegro	Poland	Portugal (Chair)
Romania	Russian Federation	Serbia
Slovenia	Spain	Sweden
The Netherlands	Turkey	United Kingdom



Main initiatives and achievements (both goals):

- 1. SAIs' practices and experiences identified and shared**
(surveys, papers, seminars and webpage)
- 2. Active participation in the ISSAI 30 review process**
- 3. Initiatives and materials for raising awareness** (workshops, meetings, leaflets, videos, articles)
- 4. Guidance produced** (guidance to implement ISSAI 30, guideline on how to audit ethics)



Approaches:

- **Research and cooperation with other partners:** SAIs from other regions, INTOSAI WG on Public Procurement Audit, IDI, ECIIA, OECD, EIPA, Council of Europe, Universities, national institutions
- **e-learning**
- **Meetings and discussions with SAI's staff**
- **Involvement of all:** workshops, video competition, interviews with SAIs leaders



Guidance on how to implement ISSAI 30:

- Advice on how to implement the ethics control system and its components
- Examples of policies, measures and instruments
- Good practice adopted in several SAIs



How can SAIs promote integrity in public sector organisations through their audit work?



Auditing ethics:

- SAIs are not completely aware of the possibilities they can explore in auditing ethics related issues
- Initiatives and practices to audit ethics in SAIs are very asymmetric
- SAIs expressed interest that the TFA&E developed common methods and tools to audit integrity

Problems:

- Mandate of SAIs
- Ethical vs Illegal
- Different terminology and different concepts on acceptable conducts and desirable controls
- No clear criteria
- Measurable indicators
- Tools to measure

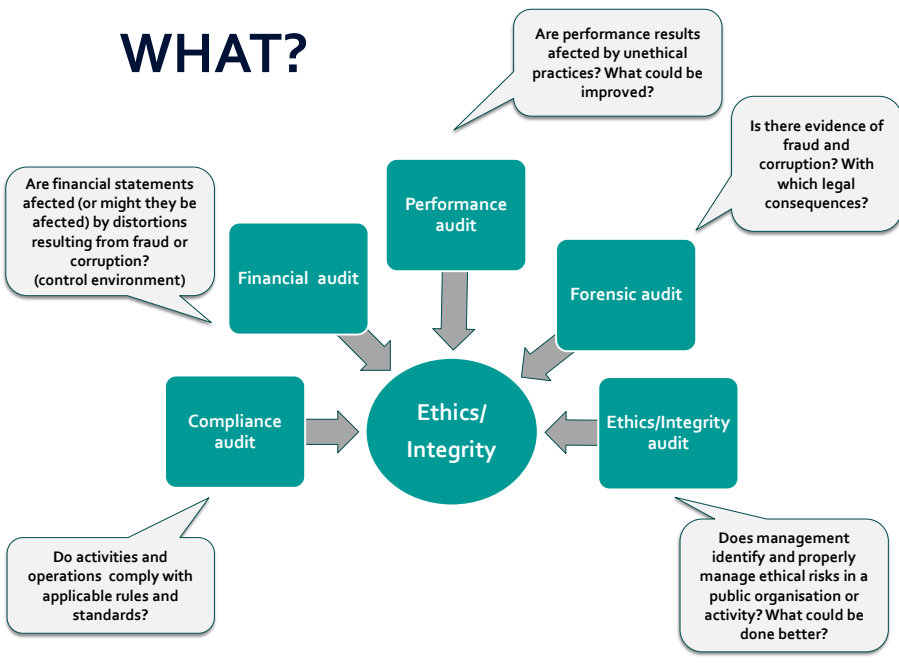
Important questions:

- Why to audit ethics/integrity?
- Do SAIs have mandate to audit ethics?
- Which ethics related issues can SAIs audit?
- How to audit (methodology, standards, criteria and tools)?
- How to report?

Guideline on how to audit ethics: May 2017

- Why to audit ethics: mandate of SAIs
- What to audit: concepts, several possible approaches
- How to audit: criteria, methods, measurement tools, reporting, dos and don'ts
- Links and examples

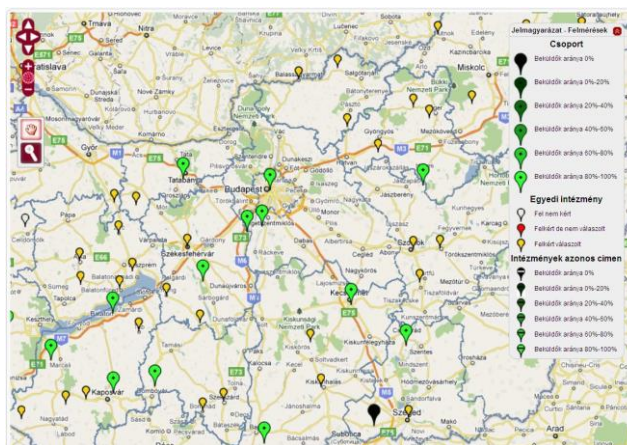
WHAT?



Possible approaches

Identifying risks and highlighting the responsibility of public managers	Raise awareness activities on ethics' management
Supporting a more robust internal control system	Audit the ethics component of the internal control environment as a part of the SAI's traditional audits Encourage that public bodies and/or their internal auditors promote ethics audits and review their work
Overseeing and holding public managers to account	Perform compliance, performance or ethics audits Include ethics related questions and ethical risk areas in the SAI's ordinary audits Assess the effectiveness of the ethics control system in selected organisations Assess the ethical culture in selected organisations
Creating insight into the whole public sector integrity	Conduct transversal or cross-cutting analysis and assessments Assess effectiveness of a national integrity system Identify and assess national strategies to address wide integrity weaknesses

Possible approaches



The audit of ethics: holistic approach

- Should go beyond compliance
- Needs to measure cultural dimensions and impacts
- Benefits from participatory evaluation approaches, involving stakeholders
- The SAI as a model

HOW

- **Designing an audit of ethics**
 - -holistic approach
 - -selection of topics
 - -audit objectives
 - -audit scope
 - -audit questions
 - -audit framework
 - -audit criteria
 - -methods to collect data
 - -methods to analyse and evaluate data
- **Reporting and communication**

Dos and DON'Ts in the audit of ethics

- Understand and define very well the scope, goal and objectives of the audit of ethics
- Be attentive to adequate and effective communication with the auditee
- Use the adequate methods and tools to reach the audit objectives
- Facilitate positive impacts



Challenges, expectations and need for further work:

- Managing and auditing ethics are still challenges for SAIs
- The new version of ISSAI 30 is very recent and needs to be implemented
- Ethics should be kept as a concern of SAIs and EUROSAI

Working Plan 2017-2020



Objectives

- Continue to raise awareness on the importance of ethics as a pillar of SAIs
- Support European SAIs in implementing ethics control systems; Training model; INTOSaint; Maturity model
- Monitor SAIs' ethical frameworks and practices as a tool for improvement; Project group on integrity initiatives
- Follow/support work of IDI, other regional organisations, OECD and other partners; Indicators for assessment
- Disseminate progress both to EUROSai Members and to other INTOSAI Regional Working Groups



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