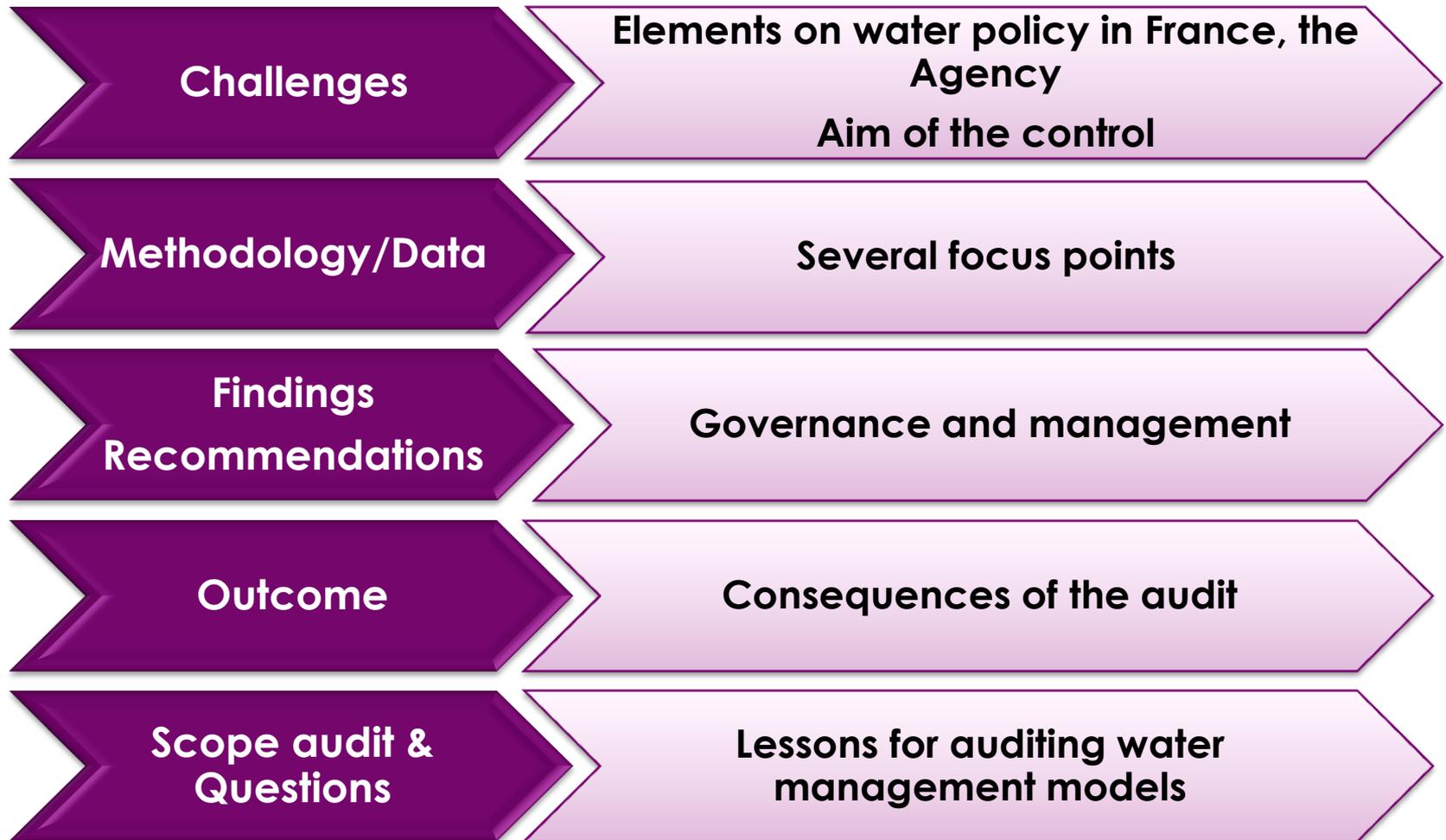




# THE AUDIT OF THE FRENCH NATIONAL AGENCY FOR WATER AND AQUATIC ENVIRONMENTS - ONEMA

**EUROSAI WGEA Seminar on Water  
Management, 23-24 April 2013, Oslo, Norway**

**Philippe DEDRYVER  
Rapporteur – Premier conseiller  
Cour des comptes – 7<sup>ème</sup> Chambre**



# The background: water policy principles

- **Decentralization and participation**
- **The hydrographic district, cornerstone of water policy**
- **Participation of stakeholders, keystone of the scheme**
- **“Water pays for water”**

## The background: a multi-level organization

- **The State** (Ministry of Ecology / Water and Biodiversity Department: supervisory)
  - regulation and control
    - French National Agency for Water and Aquatic Environments (ONEMA)
- **Basin Organizations**
  - water policy
    - perception and redistribution of user fees (water agencies and offices)
- **Local decision makers** (local and regional authorities, farmers, industrialists)
  - Organization of water and sanitation services
    - Investments/contracting authority

## The background: the Agency

- Created by the 2006 Law on water and aquatic environments and the 2007 implementation decree, it operates under the supervision of the Ecology ministry.
- Its mission is to contribute to overall and sustainable management of water resources and aquatic ecosystems, with a view to restoring water quality and reaching good chemical and ecological status by 2015, the goal set by the European Water framework directive.

# The background: Four major missions

- **Manage the French water system - the WIS-F and produce data; gather information on the status of water bodies in France for reports to the European commission and in assisting in setting priorities for water-management policies.**
- **Protect aquatic environments by inspecting use and enforcing regulations; report any observed offense.**
- **Provide technical support for territorial management of water and restoration of environments**
- **Mobilize research on sustainable management of water and aquatic environments issues**

# The background: Indicators

- **Annual budget of 150 million euros, drawn from the water fees collected by the Water agencies.**
- **Workforce of 917 agents, of which 80% in the territorial services (nine regional offices and local offices).**
- **200 databases for the water information system; 7 200 technical opinions provided for various requests and procedures each year; 8 600 inspections carried out each year.**

## **Methodology: Environmental and audit risks identified**

- **An important responsibility of the agency as regards data production and reporting on the status of water to EC**
- **Inspections are one of the element to strengthen water quality and preserve resources**
- **ONEMA participates in restoration of good ecological status of water and aquatic environments.**
- **A risk of low cost efficiency or/and cost effectiveness because of weak controls**

# Methodology: Recent audits in water policy field

- **Financing instruments for sustainable water management (2009)**
- **Water inspections (2009)**
- **Water agencies (2008-2009)**
- **Public water and sanitation services (2011)**

# Methodology: multi-modal approach

- A classical approach within an institutional control: organization and missions; financial statements and accounts; human resources; efficiency
- Focus on: public contracts in the field of water information system; human resources; grants and subsidies; governance;
- Methodology: public contracts analysis guidelines; subsidies traceability; spending and personal contract analysis.

## Findings: missions effectiveness

- **An accumulation of missions without well-managed resources despite previous recommendations on this subject in the perspective of the creation of the Agency from the Upper Council for fishing.**
- **The projects relative to the water information system (WIS-F), necessary to gather information on the status of water bodies in France for reports to the EC have faced many difficulties. The follow up of these projects was not sufficient.**

- **Coordination of the State departments in charge of inspections remained weak as a result of the lack of a shared tool concerning the follow-up of offences reports. The efficiency of inspection actions is still difficult to appreciate in the absence of adapted indicators. The pressure of inspections is still a strong challenge.**
- **The ONEMA brings a financial support to water sanitation policies, in particular residual waters, so that France can respect its EC commitments. Subsidies follow-up is unsatisfactory and in some cases overlaps and duplication of financing are noticed.**

## **Findings: organization and management deficiencies**

- **The confusion between chairman of the board of directors and the regulatory authority (supervision) persisted.**
- **The accounting and financial management showed serious gaps**
- **The management control remained incomplete because of weak procedures (procurement) and management tools**

# Recommendations

- 1. Separate the offices of chairman of the board of directors and of regulatory authority (supervision);**
- 2. Enhance reliability of the accounts and procedures; set up as soon as possible formalized internal control;**
- 3. Rank objectives and set up a rigorous follow-up of projects, in particular as regards water information system;**
- 4. Secure the projects legal framework;**

# Recommendations

- 5. Reorganize local offices and enhance collaboration with other public services (water inspections);**
- 6. Respect wages and allowances attribution rules; enhance human resources management;**
- 7. Increase significantly the water inspections pressure in aquatic zones particularly affected by nitrate pollution or other pollution and damage; redefine monitoring indicators to analyze the efficiency of inspections.**

## Outcomes: internal consequences

- The board of directors approved a new six-year contract of objectives which includes a plan to implement all the recommendations of the Court.
- The governance of the Agency has been reformed. Actions will be taken to fully implement missions. Internal procedures and controls in the areas of finance, accounting, administration and human resources will be strengthened.

# Outcomes: external impact

- Many papers in the press after annual report release;
- Increasing public awareness concerning transparency of water data (services to users), costs and uses of water and aquatic environments;
- Authorities supervision reaction: evaluation of water policy; audit of water data production; strengthening of spending controls.

# Scope of the audit: a multimodal approach

- **Thematic: water inspections; and the instruments for a sustainable water management**
- **Institutional: the ONEMA, the water agencies, the satellite bodies**
- **Legal: the EU Water Framework Directive compliance**

# Scope of the audit: issues for future audits

- **The institutional fragmentation makes particularly difficult the understanding of responsibilities.**
- **The traceability of the financial flows is a difficulty.**
- **Transparency and management control are challenges.**
- **The link with other policies is important: agricultural and energy policy.**

# Summary

<b>Challenges/solutions</b>	<ul style="list-style-type: none"> <li>• Gain knowledge on water quality status for reports to EC</li> <li>• Strengthen water quality Reach better cost efficiency/effectiveness</li> </ul>
<b>Methodology/Data</b>	<ul style="list-style-type: none"> <li>• Evaluation of effectiveness is complex</li> <li>• Reliable technical and performance data</li> </ul>
<b>Findings/ Recommendations</b>	<ul style="list-style-type: none"> <li>• An accumulation of missions without well-managed resources; strengthen governance, management and procedures</li> </ul>
<b>Outcome</b>	<ul style="list-style-type: none"> <li>• Internal : new contract of objectives including recommendations of the Court</li> <li>• External : water policy audit</li> </ul>
<b>Scope audit &amp; Questions</b>	<ul style="list-style-type: none"> <li>• a multimodal approach: thematic, organic and legal</li> <li>• Financing traceability; data transparency; management control; governance</li> </ul>