MESSAGE FROM THE CHAIR

Dear Colleagues,

We are approaching the end of year 2015 and it is time to reflect on what has been done. It has been a busy year for the EUROSAI WGEA community; we have discussed energy issues at two meetings in Estonia, held training on auditing environmental matters in the sphere of agriculture, as well as looked into auditing environmental aspects of hazardous waste in Malta.

Currently, the world, with the United Nations (UN) at the front, is setting substantial focus on sustainable development. The 17 universal Sustainable Development Goals were adopted at the UN Sustainable Development Summit in September, and the implementation of the sustainable development agenda will begin on 1 January 2016.

In this light, the General Secretariat of INTOSAI is emphasising the role of SAIs, which has been anchored in the Sustainable Development Goals (SDGs). In particular in Target 16.6 that envisages the development of “effective, accountable and transparent institutions at all levels”.

At the 13th annual meeting in Malta, several participants also raised the topic of sustainable development. Therefore, I see it as a most natural development to have sustainability as the overarching topic for 2016 in EUROSAI WGEA. All the topics selected for our meetings in 2016 are closely linked to sustainable development.

Hence, this Newsletter is also largely focused on sustainable development, introducing both past and future activities. What is more, we used the great opportunity in Malta to ask the agriculture experts what they saw as the main developments in the field and what could be the role of SAIs in this context.

I hope you enjoy the reading and wish you all the best for the year-end!

Yours sincerely,

Alar Karis
Chair of EUROSAI WGEA

UPCOMING EVENTS

Spring Session on Recycling
The next spring session will be dedicated on waste recycling. In line with that, the concept of circular economy will be introduced and discussed. The spring session will take place on 28-29 April in Tallinn, Estonia. The invitation for participating in the seminar will be sent to all EUROSAI WGEA members in the beginning of 2016.

14th Annual Meeting and Training Seminar on Sustainable Development
As it was announced at the previous annual meeting in Malta, the next meeting will be kindly hosted by the SAI Macedonia. Therefore, the 14th Annual Meeting and the training seminar, held one day prior to the annual meeting, will be organised in Skopje, 26-29 September 2016.
Conclusions from the 16th Steering Committee meeting

The 16th EUROSAI WGEA Steering Committee (SC) meeting was held on 8th October, right after the adjournment of the annual meeting. The main issues under discussion were the reflections from the 13th Annual Meeting and topics for the next meetings of the working group.

The comments from the SC were much in line with the feedback received from other participants of the annual meeting. It was agreed that the overall structure of the meeting is suitable for achieving the goals of such meeting – i.e. networking and knowledge sharing on environmental auditing issues. The importance of interactive assignments was underlined and will be taken into account when organising future events.

Furthermore, after a thorough discussion, the main topics for EUROSAI WGEA meetings in 2016 were agreed on. As spring sessions are held on issues where there is much auditing experience from SAIs, recycling was chosen as the topic of the next spring session. In addition to there being extensive auditing experience in the field of waste and recycling, the concept of circular economy will be introduced and bring in a fresh and interesting viewpoint for SAIs.

The topic for the training seminar (held prior to the annual meeting) will be auditing sustainable development. The one-day training aims to bring a practical auditing perspective into this complex subject.

The environmental topic for the next annual meeting will be market based instruments for environmental protection, which is also the theme of one of the INTOSAI WGEA research projects, currently being finalised. The cross-cutting auditing topic will be the ISSAIs of environmental auditing.

The next EUROSAI WGEA Steering Committee meeting will be held in February 2016.

New members of the Steering Committee

The EUROSAI WGEA secretariat is happy to announce the enlargement of the EUROSAI WGEA Steering Committee. The SAI of Malta and the SAI of Cyprus have expressed their wish to join the Steering Committee, which the chair has gladly complied with.

Therefore, the SC now consists of 9 members: Cyprus, European Court of Auditors, Estonia, Lithuania, Malta, the Netherlands, Poland, Slovenia, and Ukraine. INTOSAI WGEA is an observer in the Steering Committee.

Infrastructure training at the 5th AFROSAI WGEA Annual Meeting

The 5th AFROSAI WGEA Annual Meeting was held in Dakar, Senegal from 16 to 20 November 2015. EUROSAI WGEA chair, in the capacity of SAI Estonia, was invited there to hold a training on auditing environmental impacts of infrastructure development, introduce their experience on auditing climate change, and present the recent and forthcoming activities of EUROSAI WGEA.

The above mentioned training on auditing infrastructure was first conducted at the 12th EUROSAI WGEA Annual Meeting in Vilnius (2014). As the training agenda for Vilnius was developed by SAI Estonia, which also chairs the EUROSAI WGEA, it was decided to accept the honourable invitation and send two representatives to the AFROSAI WGEA meeting. EUROSAI WGEA was represented by Ms Krislin Kivi, advisor of EUROSAI WGEA secretariat, and Ms Kaire Kuldepere, Audit Manager in SAI Estonia.

The training seminar in Dakar was attended by nearly 60 participants.
On 5 October, EUROSAI WGEA held a training seminar on Auditing Environmental Impacts of Agriculture. During this one-day session, three keynote speakers presented their views on the topic. After their presentations, the three keynote speakers were asked to reflect on the most pressing issues in the agricultural sector and share their opinion on what could be the SAI’s role in this perspective. Read the short interviews below.

Sylwia Gawronska
European Environmental Agency

In your opinion, what are the three main challenges related to environmental impacts of agriculture in Europe right now?

Agriculture can create a lot of added value for environment, but also create much danger and pressure. So, the three main challenges, I would say, are the habitat degradation, caused by the intensification of agricultural practices; overuse of fertilisers and chemicals; and the irrigating demand and water scarcity, which can be caused by agriculture.

What are the main impacts of climate change on agriculture in Europe?

Climate change is a scientifically proved phenomenon, so we have to admit that the climate is changing and the conditions of production in agriculture are changing as well. The southern parts of Europe can be especially affected by climate change - that means the precipitation level and draught, desertification, as well as scarcity of water. I think that will cause some changes in production, like the production of crops, but also some technologies and practices that can be changed to adapt climate change and mitigate some

Jérémie Crespin
European Commission, Directorate General for Environment

What are the three most important challenges in agriculture related to achieving the 2020 targets, which the European Union has set?

The 2020 targets, as mentioned, were related to the biodiversity strategy, so I would say it is more about biodiversity. The main challenges are: mitigate the negative impacts of intensive agriculture; prevent land abandonment; and promote the practices that are very beneficial for environment, such as high net value farming.

What are the most important improvements in the new Common Agricultural Policy in minimising the environmental impact of agriculture?

You mentioned improvement, but we would, I think, call them developments. So, I think the real new feature in the reform of the Common Agricultural Policy is on the direct payments where it has been now made clear that 30% of the payments will go for greening.

There are 3 requirements which we call agricultural practices beneficial to the climate and environment: requirements for farmers to one-crop diversification, to maintain permanent grassland, and also to have 5% ecological focus area on their land. This basically means we are setting eligibility criteria for the direct payments. Previously, we simply made the direct payments if you kept the land in good agricultural and environmental condition. But now we have these 3 new greening requirements.

Christina Borchmann
European Commission, Directorate General for Agriculture and Rural Development

What in your opinion, what could be the most important issues for European SAIs to audit to address those problems or achieve those goals?

Looking at the current environmental audits by ECA, they could issue interesting recommendations for improving specific environmental policy implementation, but also the integration into other policies, such as agricultural policy. It could be very interesting to have some report from cases in member states, to make it aware for EU level.

We are also streamlining the rural development policy. We have set 6 priorities of which at least 4 are very
negative effects.

For example, corn is a very demanding crop and it needs a lot of irrigation in Southern Europe, as well as wheat. So, there will be a dilemma on how to produce this kind of crop in an area where there is very little water, which first of all should be dedicated for people for drinking, for example.

What could be the most important topics for SAIs, in your opinion, to be audited in this area of environmental impacts of agriculture?

I think one of the most important things is water demand and for example water reclamation. In grasslands there are habitats, dependent on agriculture, in lack of water because of drainage and intensification of agriculture.

I would also say that agro-environmental measures are very helpful, but they are not implemented in large scales or they do not have as much impact as they could have.

You mentioned the integration of different policies, like agriculture and environment. What is the main challenge here – what kind of integration is really needed between those directives?

It is most important that the policies are consistent, that they have similar objectives, that they are complimentary, and that they all aim for the same effect. It is also important that both policies work together for the decision making and also for the implementation.

dedicated around environment as well. And I think the work to mitigate climate change is now clearer in the rural development policy. The policy also calls for 30% of the money to be spent on the environment. And finally, we have streamlined our cross-compliance requirements, making it clear to reduce the number of statutory mandatory requirements, but still made it very clear what they are in the regulations.

DG AGRI is monitoring and evaluating the measures implemented by the member states. What could be the role of SAIs in implementing those measures in the member states? What could be the added value of SAIs evaluating the results of those measures?

I am currently the director of audit in agriculture and we do only compliance audits. However, we have colleagues who are in the monitoring and evaluation. Basically, they rely on the indicators that are reported through Eurostat, but also indicators in the context of the rural development programme.

What I think we’ve seen this morning [5 Oct, EUROSAI WGEA agriculture training in Malta] is that everybody is talking about the data not being that reliable or the data being old. We all have data from 2009, 2010, 2011. So, I would say that in terms of data on the impact, both European and national level need to be looked at.

Otherwise what I would say is that I see now 3 levels of audit: there is the compliance audit, where we have much more eligibility criteria on environment; then the next step is the efficiency of the measures; and the last thing is of course the efficiency of the policy as such – maybe where also the national audit offices come in at national level.
EUROSAI Working Group on Environmental auditing

FOCUS ON SUSTAINABLE DEVELOPMENT

The “Issues of Us” in the “Age of I”

EUROSAI WGEA Workshop on Auditing Sustainable Development at YES 2.0

The Second Young EUROSAI Conference – YES 2.0 – was held in Jerusalem, Israel from 9 to 12 November 2015. One of the most important underlying ideas behind the YES-Conference is building a young professional community. EUROSAI WGEA was also represented at the conference and Krislin, the advisor of the secretariat, moderated a workshop on auditing sustainable development (SD), which is also one of the EUROSAI WGEA central topics in 2016.

The workshop was attended by 15 participants, representing 10 SAIs. Those 10 SAIs were Austria, Bulgaria, Denmark, European Court of Auditors, Finland, Israel, Poland, Romania, Switzerland, and Ukraine. The background and prior engagement with SD issues varied largely between participants. Most of them had not been involved in auditing SD in the past.

The main goal of the workshop was to introduce the concept of SD to auditors, whose everyday work does not necessarily deal with environmental issues. Therefore, the ambition was to broaden the topic in the eyes of participants – to make them think about SD more open-mindedly and to show that SD issues could (and should) actually be addressed in almost all audits.

The workshop started with a short introduction by the moderator. The concept of the three pillars of SD and the newly approved Sustainable Development Goals (SDGs) were presented.

After that, the participants discussed two specific topics:

1. What's in it for SAI? What are the benefits and opportunities for SAIs in auditing SD?
2. What are the threats and challenges that SAIs could face when auditing SD?

The participants agreed that SD issues are those that the citizens can easily relate to as they are “closer to reality”. Therefore, SD audit has a lot of potential for raising public interest, which in turn could help in spreading SAI’s message. It was also pointed out that auditing SD issues could raise the awareness of policy makers and provide a balancing force in the system by addressing the long-term values and providing a holistic view. Furthermore, auditing SD provides auditors with a motivating challenge to develop their expertise in a complex issue. It was added that using the SDG-s could provide a good structure to auditing SD and also act as a basis for argumentation. The possibility of international cooperation and benchmarking, due to the cross-border nature of SD issues, were also mentioned as opportunities in auditing such topic.

With regard to the challenges and threats, these were not expressed in a negative form, but rather transformed into a checklist or tips for auditors to consider when addressing SD issues. The list is as follows:

- Do we have the mandate?
- Make sure you have the necessary expertise and tools, or possibility for training.
- Define the indicators and concrete goals, but don’t forget you might need to be flexible with the goals.
- Think about the complexity of the issue and set milestones so it would not become unmanageable.
- Think about the impartial role of a SAI, so it would not get involved in a political debate. Therefore, avoid developing your own criteria.
- Stick to real life problems, as there might be a gap between the SDG-s and the society.
- Think about the implementation of your results (timeliness).
SUSTAINABLE DEVELOPMENT

Sustainable development: the SAIs in action

SAI France

The SAIs may audit institutions and policy related to the protection of the environment but they can also act themselves. To know more about these actions and in order to promote best practices, the French Cour des Comptes conducted a survey. The Belgian, Cyprus, Dutch, English, French, German, Lithuanian, Swiss SAIs and the European court of accounts presented their action plans.

It concerned first the reduction of electrical energy and water consumption by establishing annual reduction target, performing awareness actions (such as awareness events during the sustainable development week), upgrading the office buildings’ energy efficiency and the electrical installations etc.

In order to reduce the paper consumption, a lot of actions and experimentations have been implemented: establish an annual printing reduction target, continue to promote awareness amongst the staff, consider the complete dematerialization of external communications and publications, look into the feasibility of allowing staff to be informed of the costs of their printing, include a reminder in the email signatures saying that it is not always necessary to print emails etc.

Many actions are related to the issue of transport, both for going to work and for professional trips. It includes: promoting car-sharing, establishing a multiannual plan including equipment of showers in the office in order to increase the attraction for bicycle use, encouraging choice of cars with lower emissions and hybrid cars, and renovating video-conferencing equipment.

To conclude, SAIs have implemented actions in many areas (we have here only selected the main). These actions are both targeting technical measures and awareness campaigns. Beyond classical measures such as establishing reduction target, the survey has also identified experimental actions (like, for instance, an experiment called “0 papers”). Also, SAIs are very attentive to the overall coherence of their actions and often perform feasibility studies.

The summary of this survey is available (in English) upon request to the French SAI (international@ccomptes.fr).

NAO’s Environmental and sustainability metrics briefing

SAI United Kingdom

In October 2015 the NAO provided a briefing to parliament’s Environmental Audit Committee on the use of environmental and sustainability metrics in the UK. Part of the role of the Environmental Audit Committee is to assess the UK government’s performance against sustainable development and environmental protection targets. Doing so effectively requires a clear and consistent set of metrics, so that current performance can be understood and monitored by comparison to historical performance and to best practice.

The UK has a wide range of metrics on a variety of sustainability issues. Our briefing highlights that in order to be effective metrics need to be part of a wider performance framework that includes clear objectives and mechanisms for action if performance is poor. We found that the existing metrics could be more clearly aligned with objectives and with each other: different data sets report on different geographical or organisational scales, which do not always align with the scope of the associated objectives. Mechanisms for action in the case of poor performance were not always clear.

Data for assessing sustainability come from a range of sources. High-level indicator sets have been developed through consultation to help identify pre-existing data sets, improving the cost-effectiveness of collection. However the timeliness of some of the metrics is mixed, and limited by the reporting patterns of underlying data. Indicators often give both a long-term and a short-term assessment of progress, although data is not always available to allow a full comparison to a past position.
The UK government is currently developing a new planning and performance framework. Guidance suggests that environmental metrics will form part of this framework. The briefing provides an overview of current developments in policy and metrics, including what is currently known regarding metrics for the new UN Sustainable Development Indicators.

*For further information please contact Katy Losse, at katy.losse@nao.gsi.gov.uk*

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**Audit observations**

We concluded that the framework for protecting market integrity was not sufficiently robust, and that there were significant implementation weaknesses in phase II, some of which also require further action in phase III.

There were still gaps in regulation and oversight of the market - even after the inclusion of most of the ETS market under EU Directives for the markets in financial instruments and market abuse. Procedures to open ETS accounts on the Union Registry and monitor transactions did not provide sufficient controls. And the lack of clarity on the actual legal definition of allowances was not ideal.

The systems for monitoring and reporting emissions were not harmonised and had weak controls.

*The report is available in all EU languages on ECA’s website. For further information please contact Mr Colm Friel at colm.friel@eca.europa.eu.*

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**Special Report 6/2015 “The integrity and implementation of the EU ETS”**

**European Court of Auditors**

**The EU’s Emissions Trading Scheme (ETS)**

The EU’s Emissions Trading Scheme (ETS) works by setting a reducing limit on emissions of carbon dioxide (CO₂) and other greenhouse gases by energy intensive sectors in the EU. Allowances to cover emissions can be bought and sold on a multi billion euro market. As well as reducing overall emissions of greenhouse gases, the theory is that by establishing a price for, and a market in carbon, businesses will be encouraged to invest in low carbon technologies.

Since its introduction in 2005, the ETS has contributed to meeting the EU’s international climate change obligations under the UNFCCC and it’s the biggest such scheme in the world. However, the economic crisis in 2008 lead to increasing surplus stocks of allowances and reduced carbon prices. And the ETS market was subject to well reported cases of theft, VAT fraud, and cyber-attacks.

**ECA’s audit**

Our audit examined the framework for protecting the integrity of the EU ETS, and the systems for implementing the scheme in the Commission and the Member States up to phase II (end 2012). As well as visiting the Commission services, the audit approach involved visits to five Member States, desk review of two others, and consultation with an expert.

**Consideration of the health and cost impacts of fine particles in the preparation of strategies**

**SAI Finland**

Fine particles in outdoor air are the most harmful environmental exposure agent in terms of health impacts. The European Environment Agency has estimated that fine particles cause the premature death of about 2,050 people in Finland. The economic losses caused by the health impacts of fine particles in Finland amount to billions of Euros each year. The main sources of fine particles in Finland are domestic wood combustion and road traffic.

The National Audit Office of Finland (NaoF) conducted a performance audit which purpose was to assess whether the emissions of fine particles and the costs arising from their health impacts have been considered in the preparation of the five strategies that are relevant to the emissions.

NaoF found that most strategies lacked preliminary impact assessments or the assessments were of fairly general nature. There was little examination of the health impacts of fine particles. Moreover, the strategies did not contain any assessments of the costs arising from the health.
impacts of fine particles. Furthermore, no strategy options were formulated or assessed as part of the preparatory work and no cost-benefit comparisons of the options were produced. In many cases only the potential benefits of the strategies were highlighted, while no consideration was given to harmful health impacts.

NaO recommended that the audited ministries should, under the auspices of the Ministry of Employment and the Economy, prepare an overall cost assessment of the health impacts generated by fine particles in Finland. Furthermore, when ministries prepare or update climate, energy, natural resources, transport and health strategies, they should give systematic consideration to the health impacts of fine particles and the costs arising from them. Also, the expertise of the ministries in the field of preliminary assessment of environmental and health impacts should be systematically developed under the auspices of the Ministry of the Environment.

A summary of the report is available in English: [link]

For further information, please contact Performance Audit Counsellor Markku Turtiainen (markku.turtiainen@vtv.fi).

Slovak Republic tasks fulfilment to ensure energy savings

SAI Slovakia

Supreme Audit Office of the Slovak Republic (SAO SR) performed and published the results of a compliance audit on energy savings - Slovak Republic tasks fulfilment to ensure energy savings in 2015. The audit is a part of the INTOSAI WGEA Energy savings project 2014 – 2016.

SAO SR has audited three Ministries and three State organisations responsible for energy savings implementation. Audits assessed implementation of the EU regulations on energy saving to national law and the administrative instruments used in the public sector to achieve the energy savings goal.

Slovak Government has adopted the Concept of Energy Efficiency of the Slovak Republic that defines an overall national indicative energy savings target for 2008-2016 amounting to 9% of average final energy consumption from 2001-2005 i.e. 37 215 TJ (terajoules). The concept of Energy Efficiency is realized in particular through the three-year energy efficiency action plans.

The implementation of the EU energy efficiency to the Slovak Law and the Concept of Energy Efficiency were set as the audit criteria.

Audit findings:

- All Directives of the European Parliament and Council relating to energy efficiency have been implemented into Slovak law.
- In previous years, Slovakia has breached its duty to provide an annual renewal of 3% of total floor area of heating and cooling buildings owned and used by Central Governments bodies.
- Sources of energy savings funding are fragmented and uncoordinated.
- System-based mechanism of energy efficiency support was not established.
- To achieve the energy saving policy goals, the State should systematically utilise the sources of proceeds from emissions trading schemes and revenues from excise duties on electricity, coal and natural gas.
- Sources of funding for compulsory reconstruction of buildings of State Administration for 2014 – 2020 are insufficient.
- Lack of staff dealing with issues of energy savings agenda within the central state administration bodies.
- The method of monitoring and evaluation measures of energy efficiency is complicated and incomplete.

For further information, please contact Igor Blaško at igor.blasko@nku.gov.sk.
Environmental Auditing in the Protected Natural Areas in Republic of Moldova

SAI Moldova

Sustainable use of natural components - preservation of biodiversity and maintenance the natural balance - is a primary goal of the environmental policy of the Republic of Moldova.

The overall objective of the audit was to determine whether existing national policies in protected natural areas are connected to the international legal framework in the field (to which Moldova is a party), and whether the authorities involved have the effective tools for achieving these objectives. The audit covered the period 2012-2014, and it was conducted between February and June 2015.

Audit findings noted some deficiencies in the national legal framework and institutional inefficiency in the achievement of specific activities for conservation and protection of natural protected areas. Therefore, the following conclusions were made:

- To ensure the sustainable management of protected natural areas, it is necessary that relevant policies be reviewed, updated and linked to the relevant international biodiversity conservation policies;
- Due to the lack of comprehensive regulations on the functions of the authorities involved in the management of protected areas, these areas are not managed according to the specific objectives;
- The authorities responsible for the management plans of the protected areas have not ensured the good governance of these areas. The efforts of the authorities should be strengthened and the awareness of the society raised, so they become more involved in the decision-making processes;

Natural heritage integrity is not ensured as related land demarcation and registration of protected natural areas were not done by responsible institutions and the necessary financial resources for these purposes have not been evaluated.

Nominated difficulties affect the conservation and preservation of natural heritage for future generations and in some cases degradation and failure to ensure the integrity of protected natural areas may cause their definitive disappearance.

To improve and enhance the results of the audit, a set of recommendations has been submitted to entities involved in these tasks.
Transport of hazardous waste – effectively supervised? (RiR 2015:10)

SAI Sweden

The audit report was published in May 2015. The purpose of the audit was to audit whether the Government and responsible agencies monitor and effectively supervise cross-border and national transport of hazardous waste.

The overall conclusion is that there are deficiencies in the system of supervision of hazardous waste transport. Together these deficiencies lead to the system not being sufficiently effective to ensure compliance with legislation in the area. This means in turn a risk that hazardous waste causes damage to the environment and human health.

The deficiencies concern the lack of overview of waste and illegal activities, gaps in supervision, ineffective working methods and sanctions that probably do not deter non-serious actors. The Government and agencies have achieved improvement in parts of the system, but further measures are needed to conduct effective supervision of transport of hazardous waste.

Some of the main findings in more detail are that Swedish statistics on the amount of hazardous waste that arises and is processed contain major uncertainties. According to available statistics, the difference between arisen and processed waste was 680 000 tons in 2012. As regards the extent of illegal waste transport, no estimate has been made at national level in Sweden. The lack of information about flows of waste and illegal activities mean that the conditions for risk-based supervision are not in place in Sweden. The audit also shows that supervision of waste imported to Sweden is limited.

Furthermore, it is often difficult to use the Swedish penalty provisions for unlawful cross-border waste transport. The combination of the formulation of penal provisions and the working methods of the Customs Service and County Administrative Boards often leads to penal measures being impossible to put into effect for suspected illegal cross-border waste transport.


Audit on hazardous and radioactive waste management

SAI Estonia

In 2015 the NAO of Estonia completed an audit on hazardous and radioactive waste management. The purpose of the audit was to control whether the state has a comprehensive and correct view of the generation and treatment of hazardous and radioactive waste.

In 2013 10.7 million tons of hazardous waste was generated in Estonia. With that figure Estonia is in the first position in Europe in generating hazardous waste per person. It is mainly because of using oil-shale in electricity production which generates vast amounts of oil-shale ash and semi-coke as hazardous waste in burning process. The current audit report focused on the rest of hazardous waste (excluding the oil-shale industry’s waste) which amounts to 3% (260 000 tonnes) of total hazardous waste generated in Estonia.¹

Picture: Hazardous waste landfill site at the state owned hazardous waste management centre in Vaivara, Estonia

¹ The hazardous waste generated in oil-shale industry is covered with the audit “Activities of state in organising treatment of oil shale mining and processing waste” (2015)
The NAO found that the Ministry of the Environment must give more attention to the treatment of hazardous waste, as the goal of reducing the generation and increasing the recovery of hazardous waste has not been achieved, the activity of the ministry’s divisions in managing waste handlers has been unsuccessful, and the state’s hazardous waste reports contain significant amounts of incorrect data. The state has failed to operate the state owned hazardous waste management centres: there is no possibility to landfill hazardous waste since 2012 and the surrounding environment has been polluted.

Special attention should be paid to radioactive waste management. In 2013 there was 1950 m$^3$ of artificial radioactive waste (Soviet “heritage” objects) and 255 tonnes of natural radioactive waste (NORM) in Estonia. NAO recommended deciding as soon as possible whether to establish a new intermediate or final storage site for artificial radioactive waste. Solutions for treatment of NORM-waste with specific responsible persons and resources should also be established and the action plan for radioactive waste treatment in Estonia ought to be approved.

The full audit report in Estonian with a summary in English is available on the NAO’s website at www.riigikontroll.ee.

For more information, please contact Viire Viss at viire.viss@riigikontroll.ee.

Government actions in the organisation of oil shale mining and processing waste management

SAI Estonia

In 2015 The National Audit Office of Estonia analysed whether the government has been thorough in the organisation of oil shale mining and processing waste management.

Approximately 17 million tons of oil shale mining and processing waste is generated annually, which constitutes 80% of all the waste generated in Estonia. More than half of the waste generated by the use of oil shale is hazardous waste. Since the beginning of the oil shale industry, over 400 million tons of waste has been dumped into landfills and waste management areas occupy over 27 km$^2$ in Estonia. The oil shale industry, including its generated waste, has a considerable negative environmental impact.

National Audit Office found that although oil shale waste is generated in large quantities, the state has not regarded this as a significant problem and has not required the companies to generate less waste and increase waste recovery. Also it was concluded that organizing oil shale mining and processing waste management is based on trusting companies; but companies’ actions have not been sufficiently verified. Neither the Environmental Board nor the Environmental Inspectorate considers the control of the integrity of waste reporting as their task.

Picture: Oil shale ash dumping

The state has spent over 50 million Euros of taxpayers’ money on the elimination of the residual pollution caused by oil shale waste and will have to spend more. Still, the state has not adequately protected itself against similar situations, where waste management sites must be closed for taxpayers’ money, in the future.

NAO recommended the Minister of the Environment to influence companies more forcefully in order to decrease waste generation and dumping, enhance the oil shale waste recovery, and pay more attention to the correctness of the data submitted by the companies. In addition, it was recommended to review the monetary guarantee system of oil shale waste management sites as soon as possible.

The full audit report in Estonian with a summary in English is available on the NAO’s website at www.riigikontroll.ee.

For more information, please contact Kaire Kuldpere at kaire.kuldpere@riigikontroll.ee.
Bulgarian National Audit Office audits the prevention and overcoming the consequences of floods

SAI Bulgaria

During the period 2010 - 2014, 2632 floods were registered in Bulgaria, causing casualties and damages worth over 222 million Euros. The costs for the state budget to overcome the consequences exceed 163 million Euros. Scientists predict an increase in the number and of the intensity of potential future flooding.

The BNAO launched two audits on this topic in 2015. They will be finished by March 2016.

The audit on the effectiveness of prevention and actions to overcome the effects of the floods is focused on the results of the activities of the Ministry of Interior, regional and municipal administrations for the period from 2012 to 2014.

The expected contribution of the audit is to assess the effectiveness of the actions taken to prevent and overcome the consequences of floods for the effective implementation of the National Programme for Protection against Disasters.

The audit on the implementation of the Procedure BG161PO005/12/1.20/02/29 - Development of management plans for flood risk covers the period 2012 – 2015.

The aim of the procedure is to provide financial support for the development of the necessary documents in accordance with Directive 2007/60 / EC for the assessment and management of flood risks, envisaging the development of a methodology for analyzing the cost-benefit assessment of the measures in the plans for the management of flood risks; creation of a digital relief model; development of a national catalogue of measures and national priorities, introduction of an information system.

The audit includes assessment of the implementation of the projects funded under the procedure and examining to what extent the measures and action plans may contribute to limiting the risk of adverse consequences for the population and the environment from the harmful effects of water.

For further information, please contact Eva Galabinova at e.galabinova@bulnao.government.bg and Bulgarian NAO at intrel@bulnao.government.bg.

How to prevent further pollution of the biggest lake in the Balkans?

SAI Albania

Lake of Shkodra is the biggest lake in the Balkans, with a surface of 368 square km and residing by two thirds in Montenegro and one third in Albania, in the northwest of the country. Close by the lake there lies the biggest city in northern Albania, the city of Shkodra. The lake is heavily polluted due to the city’s and surrounding villages’ discharge of waste waters in the lake during the past two decades.

Many citizens of Shkodra and environmental experts of the country have raised their voice in the Albanian media, to denounce such pollution. Acknowledged with the situation, ALSAI lately conducted an audit on drinking water supply and waste water management for the state entities of Shkodra region to see opportunities to protect Shkodra Lake from further pollution.

While auditing the performance of the State enterprise supplying drinking water and managing waste water channels in Shkodra region, ALSAI auditors found out that the project entitled "Water supply and protection of Shkodra Lake" was not going in the right direction in two of its components, the first component having to do with cleaning, rehabilitating and maintaining the waste water system of Shkodra town, as well as of the villages of Shiroka, Zogaj and Dobrač (the ones being in the coastline of Shkodra lake). In April 2015, the audit report was delivered to project authorities, containing 22 recommendations on how to improve the situation. From April 2015 until now, project authorities have reacted to ALSAI recommendations and there is hope the waste water discharge in the Lake will be diminished until there will not be any more waste water to pollute the lake, for the good of Shkodra region inhabitants and many tourists visiting the site.
EUROSAI Working Group on Environmental auditing

Environmental audits conducted by the Chamber of Accounts of the Republic of Azerbaijan in 2015

SAI Azerbaijan

The Chamber of Accounts of the Republic of Azerbaijan planned to conduct four environmental audits in 2015. Three of these audits have already been completed; one of them is still being conducted. One of the completed audits was conducted in entities of the Ministry of Ecology and Natural Resources implementing the planting in non-forest lands, roadside planting, the installation of irrigation systems and water purification facilities to supply the people with drinking water. The other two audits were conducted in subdivisions of Land Reclamation and Water Management OJSC supplying agricultural lands with irrigation water. The audit of funds allocated to the entity engaged in planting and care of greenery in Baku city is still going on.

The Chamber gave recommendations and binding instructions on:

- Complying with national accounting standards and elimination of inconsistencies in the accounting and reporting;
- Taking necessary measures together with corresponding institutions for exploitation and appropriate hand-over of objects (objects of planting, installation of irrigation systems, water purification facilities) of which construction has been completed at the expense of the budget.

In addition, the auditing team recommended improving performance indicators in the following areas:

- Development of proper infrastructure of planting, its cultivation, restoration and enhancement;
- Conforming to agricultural methods in the landscape organization;
- Improvement of land fertilizing works;
- Selection of seedlings with preference to the sorts that are compatible with local climatic conditions;
- Timing of planting;
- Percentage of taking root of trees and bushes;
- Necessary measures for improvement of care of greenery;
- Water use for irrigation;
- Efficiency and reliability of the work of irrigation system;
- Decrease of water loss in irrigation systems through improvement of water supply and distribution system;

Information on the outcomes of the audits conducted was submitted to the Parliament and to appropriate superior bodies.

Environmental Audits in the Audit Office of the Republic of Cyprus

SAI Cyprus

The Audit Office of the Republic of Cyprus is currently conducting two environmental audits. The first one, dealing with the management of water resources in Cyprus, is at its final stages and is expected to be completed in the first quarter of 2016. The audit will cover a variety of topics, such as strategy design and policies, the management of water stored in dams, produced from desalination plants and extracted from boreholes, the use of recycled water, leakages from networks and quality issues.

Picture: Site visit to Kourris dam, the largest dam in Cyprus.

The second audit will address the management of waste, and will focus on municipal waste, batteries and accumulators waste, electrical and electronic equipment waste, construction and demolition waste and medical waste. It is already in progress and is expected to be completed by the end of 2016.
AFROSAI WGEA has a new Chair

Following a decree signed on October 2, 2015, Mrs Rose Mbah Acha Fomundam has been appointed Minister Delegate in charge of the Supreme State Audit Office of Cameroon. As such, this Senior Magistrate becomes the head of Cameroon SAI, assuming therefore also the duties of AFROSAI Secretary General and AFROSAI WGEA Chair. The mother of five is cheerful and determined to promote better performance of SAI in Africa. She replaces Mr Henri Eyebe Ayissi, who has been serving in this capacity since December 9, 2011. AFROSAI WGEA sees this change in leadership as an opportunity to improve on its activities and services.

Consultative meeting on the feasibility of a cooperative audit on the River Nile

Seven SAIs of the River Nile eleven riparian countries have participated from 2 to 4 October 2015 in Cairo, Egypt, in a consultation meeting on the feasibility of an environmental audit of this river. Organized by the AFROSAI WGEA Secretariat, this meeting was to bring together potential participating SAIs in this cooperative activity around this shared water resources, which has also been bringing tension in the region for decades. The meeting aimed at identifying and treating risk factors and hindrances to a decision on the feasibility of the cooperative audit.

During the two days of intense activities, SAIs’ representatives, who were joined by GIZ, had constructive discussions, resulting in important decisions. SAIs have decided to choose “water quality” as a unifying theme and avoid controversial issues. They also decided to continue the consultation process at the political level through the Council of Ministers of the Nile Basin Initiative, to give this audit and capacity building activity the best chance of success.

In recall, the proposed audit should help the SAIs involved to formulate recommendations for better management of this resource, but it will specifically serve as common framework for technical capacity building, for the implementation of the ISSAIs and the use of common approaches in auditing water issues among SAIs of the River Nile riparian countries.

The 5th AFROSAI WGEA Annual meeting

Cooperation is honoured within the African Working Group on Environmental Auditing. Indeed, from November 16 to 21, Dakar, capital city of Senegal hosted the 5th AFROSAI WGEA Annual Meeting. The hundred or so delegates took this opportunity to conduct several capacity building activities around the theme “Cooperation between SAIs, a necessity for environmental protection in Africa.” Through a training workshop, INTOSAI WGEA tools on the audit of infrastructure were popularized.

African SAIs also seized this opportunity to exchange information and share experience on various topics of interest. In this perspective, roundtable discussions involved representatives from SAIs and agencies involved in environmental management on the continent. Discussions led to the formulation of recommendations aimed at improving practices and performance of SAIs in these domains.

Topics of discussions were: “the role of African SAIs in implementing the SDG’s”, “climate change and food...
security on the continent”, “the assessment of waste management policies and activities” in Africa, as well as “the environmental impact of extractive industries activities” on the continent. The meeting was attended by representatives of other RWGEAs. It benefited special support from EUROSAI WGEA, concerning the training workshop.

Contacts between AFROSAI and EUROSAI WGEAs

While attending the 14th INTOSAI WGEA Steering Committee Meeting in Cairo, the Chairs of EUROSAI and AFROSAI WGEAs had working talks on the state of cooperation between the two RWGEAs. Discussions focused on the Annual Meetings of the two Working Groups as well as possibilities of greater cooperation at the level of the WGEA. The two Chairs, Mr Alar Karis, from the SAI of Estonia, and Mr Henri Eyebe Ayissi, from the SAI of Cameroon defined some domains of future cooperation and experience sharing. Further contacts will continue at the level of the two Secretariats.