

MINUTES

III Meeting of EUROSAI Task Force on the Audit of Funds Allocated to Disasters and Catastrophes

Date: 22-23 March 2011

Meeting Venue: Moscow, Accounting Chamber of the Russian Federation

III Meeting of the EUROSAI Task Force was held on March 22-23, 2011 in Moscow, the Russian Federation.

The aim of the meeting was:

- discussion of issues of rapid response to disasters and catastrophes
- approval of the results of work of the EUROSAI Task Force for the period of its mandate (2008-2011),
- review of possible objectives and ways of work of the Task Force for the next period of its activity.

The meeting of the EUROSAI Task Force was **attended by 24 representatives** from 10 SAIs, namely:

Armenia

Mr. Vaan Vardanyan Adviser of the Chairman, Control Chamber

Belarus

Mr. Alexey Kovalchuk Chief specialist, State Control Committee

Bulgaria

Mrs. Ventsislava Tomova-Kiranova Auditor, National Audit Office

Hungary

Mr. Laszlo Kiraly Auditor-counselor, State Audit Office
Mr. Istvan Szilas Auditor-counselor, State Audit Office

Kazakhstan

Mr. Alexandr Goryainov Member of Accounts Committee, Accounts Committee for Control over Execution of the Republican Budget

Moldova

Mr. Viktor Munteanu Deputy Director of Audit Department, Curtea de Conturi

Norway

Mr. Anne Fikkan Deputy Director General, Office of the Auditor General

Poland

Mr. Dariusz Herda Legal advisor NIK Regional Branch in Rzeszow, Supreme Chamber of Control

Mr. Stefan Jan Godos Deputy Director of NIK Regional Branch in Rzeszow, Supreme Chamber of Control

Russian Federation

Mr. Sergey Stepashin Chairman, Accounts Chamber

Mr. Valeriy Goreglyad	Deputy Chairman, Accounts Chamber
Mr. Alexandr Zhdankov	Auditor, Accounts Chamber
Mr. Petr Prymak	Director of Department on control of the federal budget spending on national security and law enforcement, Accounts Chamber
Mr. Nikolay Paruzin	Director of the International Relations Department, Accounts Chamber
Mrs. Olga Davydova	Deputy Director of the Inspection, Department on control of the federal budget spending on national security and law enforcement, Accounts Chamber
Mr. Andrey Bazin	Counselor of the International Relations Department, Accounts Chamber
Mrs. Terekhina	Adviser of the International Relations Department, Accounts Chamber

Ukraine

Mr. Valentyn Symonenko	Chairman, Accounting Chamber
Mr. Anantoliy Yukhymchuk	Secretary, Accounting Chamber
Mrs. Mariya Shulezhko	Head Controller and Director of the Agricultural Industry, Nature Protection and Emergencies Audit Department, Accounting Chamber
Mr. Gennadiy Shakh	Director of Department for Analytics, Standards and Development, Accounting Chamber
Mr. Taras Prytula	Director of Department of International Relations, Accounting Chamber
Mr. Denis Nikitin	Head of Division of the Agricultural Industry, Nature Protection and Emergencies Audit Department, Accounting Chamber

The meeting was also attended by **Mr. Jan Bernazyuk**, Advisor to the Minister, Ministry of Emergency Situations of Ukraine.

The Chairman of the Accounts Chamber of the Russian Federation **Mr. Sergey Stepashin** opened the meeting with a moment of silence to pay tribute to the victims of the catastrophe occurred in Japan.

After a moment of silence the Chairman of the Accounts Chamber of Russian Federation noted that under present conditions the most important task of any state is to create a unified state system of prevention and elimination of consequences of disasters. Supreme Audit Institutions contribute to the solution of these problems, which as external public audit bodies provide control over the performance of selected lines of development of crisis management, which are key elements of national security. It shows how successfully one of the most important functions of government will be implemented: ensuring and maintaining a high level of safety of citizens throughout the country.

After his speech, the Chairman of the Accounts Chamber of Russian Federation gave the floor to the Chairman of the EUROSAI Task Force, the Chairman of the Accounting Chamber of Ukraine, **Mr. Valentyn Symonenko**.

In his welcoming address, **Mr. Symonenko** noted that this is the final meeting, which implies the need to sum up and identify further steps in the work of the Task Force.

Wishing a good working mood in the atmosphere of free communication and mutual trust the Chairman of the Accounting Chamber of Ukraine informed the participants of the meeting with the agenda.

Further session work, which meant holding two plenary sessions, was chaired by the Chairman of the EUROSAI Task Force.

The aim of the **first plenary session** was to discuss issues of operational response to emergencies and disasters. Presentations were made by representatives of the SAIs of the Republic of Poland and the Russian Federation, as well as a representative from the Ministry of Emergency Situations of Ukraine.

The representative of the SAI of Poland, Mr. Herda in his report entitled "Rapid Response System – Construction Principles, Resource Provision, International Cooperation" focused on the legal framework and principles of operation of the system to respond quickly to emergencies in the Republic of Poland. Much of his speech was devoted to management system in emergency situations (its basic elements, the structure of responsible government authorities). Particular attention was paid to the plans of emergency management.

Further, during the plenary session the representative from Accounts Chamber of the Russian Federation **Olga Davydova** made a presentation, informed the participants of the meeting with the problems of efficient spending budgetary funds allocated to prevention and elimination of consequences of disasters and catastrophes in the Russian Federation, and improvement of the National Rapid Response System.

The first plenary session was concluded by **Jan Bernazyuk**, Adviser to the Minister of Emergency Situations of Ukraine, who introduced the participants of the meeting detailed information about the development of a rapid response to emergencies in Ukraine.

The second plenary session, the purpose of which was approving the results of activity of the EUROSAI Task Force and considering possible targets and areas of work for the next period of its activity, began with the Report of the Chairman of the Task Force **Valentyn Symonenko** on the work done and presentation of proposals to extend the mandate of the Task Force at VIII Congress of EUROSAI.

In his report, **Mr. Symonenko** presented overall performance of the Task Force since its establishment and noted that the meeting is the final before the upcoming VIII Congress of EUROSAI.

Summarizing the results of the EUROSAI Task Force, **Mr. Symonenko** noted that they show its success and effectiveness. Specific plans were outlined, several agreements on joint audits were reached, revision of the draft

Recommendations of the best practices for audit of funds allocated to prevention and elimination of consequences of disasters for their subsequent approval, is planned.

Considering that two months is the deadline for the mandate of the Task Force, its Secretariat had prepared a draft report that was proposed to send all team members to make suggestions and additions, so that the final version of this report to be presented to the EUROSAI Congress in Lisbon.

The Chairman of the Task Force also proposed to adopt a common decision on whether to introduce the next EUROSAI Congress the question of extending the mandate of the EUROSAI Task Force on the Audit of Funds Allocated to Disasters and Catastrophes that had been unanimously endorsed by the participants of the meeting.

The draft of the First Edition of the Recommendations for Best Practices of Auditing Funds Allocated to Prevention and Elimination of Consequences of Disasters and Catastrophes, and Glossary of Terms were presented by **Gennadiy Shakh**, Director of Department for Analytics, Standards and Development of the Accounting Chamber of Ukraine. In the final part of his presentation, Mr. Shakh invited all meeting participants to engage actively in the process of finalizing the draft of Recommendations, making additions, suggestions and requests.

The meeting participants unanimously supported the proposal to submit their comments (wishes) to the end of March 2011.

During the discussion of the first draft of the Recommendations, the Chairman of the Task Force expressed confidence that this document will be interesting, as for the members of the Task Force, and for all Supreme Audit Institutions, which are conducting or plan to conduct audits on prevention and elimination of consequences of disasters and catastrophes.

Alexey Kovalchuk, chief specialist of the State Control Committee of Belarus, presented to the participants of the meeting information about “State Support Aimed at Eliminating the Consequences of the Chernobyl Disaster”, which found its logical continuation in the information on the International Coordinated Audit of Chernobyl «Shelter» Fund, which was reported by **Maria Shulezhko**, Head Controller of the Accounting Chamber of Ukraine.

Summing up, the Chairman of the Task Force **Mr. Symonenko** noted that in connection with an emergency situation at Japanese nuclear plant "Fukushima", the discussed topic, unfortunately, become very urgent again. The work in this area of the Task Force is necessary to provide recommendations and an algorithm of actions that can help to solve problems related to security at nuclear power plants.

The meeting was continued with a presentation of the Memorandum on the results of parallel audit of the use of public funds and other funding sources to regulate, protect, study and reproduction of aquatic biological resources and providing environmental security in the Black Sea fisheries basin, conducted by the Accounts Chamber of the Russian Federation and the Accounting Chamber of Ukraine, which was presented by the representative of the Accounting Chamber of

Ukraine, **Denis Nikitin**, and the results of audit of budgetary funds allocated to disasters, conducted by the Accounts Committee for Control over Execution of the Republican Budget and the Accounting Chamber of Ukraine, which was presented by the member of the Accounts Committee for Control over Execution of the Republican Budget of the Republic of Kazakhstan **Alexander Goryainov**.

In his speech, Mr. Goryainov accentuated the importance of SAIs work undertaken to assess the effectiveness of funds allocated to prevention and elimination of consequences of disasters and catastrophes, in view of the annual increase in expenditure of public funds for these purposes.

Summarizing the presentations of the participants about the results of these audits, the Chairman of the Task Force Mr. Symonenko noted that violation of ecology of the Black and Azov Seas, fortunately, at this point does not lead to immediate loss of lives. However, the level of pollution in the Black and Azov Seas exceeds the ability of water to cleanse itself and poses a threat to human health that can lead to disastrous consequences in the near future. And now, when there is an opportunity to change things, supreme audit institutions will be attracting attention of governments and public to this problem by conducting audits. An understanding that natural disasters are a catalyst for the negative consequences arising from errors, defects, committed by people, is of particular importance now. "This idea should be realized, taken into account in our work and we should try, if I may say so, "put her on the head" of our governments", Mr. Symonenko said.

Later the participants of the meeting were discussing the Common Position for conducting an international audit of the use of budgetary funds allocated to prevention and elimination of consequences of disasters, which was presented by the Head Controller of the Accounting Chamber of Ukraine Mariya Shulezhko. In her speech, Mrs. Shulezhko noted the main comments and suggestions to the draft of the Common Position expressed by the participants of the audit, described the scope of the audit and invited participants of the meeting who take no part in the audit, to join the work.

The representatives of the SAIs of Hungary, Poland, Belarus, Kazakhstan, Russia, Ukraine and Moldova took part in discussing the Common Position.

Laszlo Kiraly, the Auditor-Advisor of the SAI of Hungary, informed the participants of the meeting on commenced auditing activities at the national level within this audit.

Based on the results of discussions it was decided to finalize the Common Position, in particular, to extend the terms of the audit for 2011-2012, to finalize joint questions, and given the adjusted timing, to invite new members to participate in the audit.

After considering all the issues of the agenda, the Chairman of the EUROSAI Task Force **Valentyn Symonenko**, having thanked all present for their excellent work, concluded the following common solutions:

- 1) To adopt the report on the results of the activity of the EUROSAI Task Force on the Audit of Funds Allocated to Disasters and Catastrophes for 2009-2011;
- 2) To approve the draft of the Resolution on extending the mandate of the EUROSAI Task Force on the Audit of Funds Allocated to Disasters and Catastrophes for 2012-2014 and to submit it for consideration by the Steering Committee and approval at the VIII Congress of EUROSAI.
- 3) To approve the draft of the first edition of the Recommendations for the Best Practice of the Audit of Funds Allocated to Prevention and Elimination of Consequences of Disasters and Catastrophes, and a Glossary of Terms; to provide the Secretariat of the Task Force with their proposals and amendments to these documents until April 15, 2011.
- 4) 4) to finalize the Common Position for an international audit of the use of budgetary funds allocated to prevention and elimination of consequences of disasters and catastrophes, in particular:
 - to extend the date of the audit for 2011-2012;
 - to finalize and to send the Accounting Chamber of Ukraine their proposals and amendments to the Common Position until the end of April 2011;
 - The Accounting Chamber of Ukraine should invite new members to participate in the audit.

In closing the meeting, the Chairman of the EUROSAI Task Force, Mr. Symonenko expressed confidence that cooperation within the Task Force will continue for at least three years, and will contribute to deepening and broadening international cooperation and coordination of control processes.