



**Memorandum
on the results of Parallel Audit of the public funds
allocated for regulation, protection, research and
reproduction of water biological resources and
provision of environment safety in the
fishing basin of the Black Sea and the Sea of Azov**

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III meeting, EUROSAI Task Force
March 22–23, 2011
Moscow, Russian Federation

Memorandum on the results of Parallel Audit

- ▶ The basin of the Black Sea and the Sea of Azov is of an exceptional significance not only due to its resource potential, but as a main source of drinking water for people living on 98% of territory of Ukraine

Memorandum on the results of Parallel Audit

- ▶ The Agreement on Cooperation between the Accounts Chamber of Russian Federation and the Accounting Chamber of Ukraine dated September 21, 1998
- ▶ The Decision to conduct Parallel Audit by the Accounting Chamber of Ukraine and the Accounts Chamber of Russian Federation, signed by the Chairmen of Supreme audit institutions V. Symonenko and S. Stepashin on December 12, 2009

Memorandum on the results of Parallel Audit

Common questions:

- ▶ Observance of international agreements, legislative and other standard legal acts, which regulate functions of control and supervision over water biological resources and their environment, efficient utilization, protection, research, preservation and reproduction of water biological resources and their environment, as well as provision of ecological safety
- ▶ Assessment of the condition of water biological resources of the Black Sea and the Sea of Azov basin
- ▶ Distribution and disbursement of water biological resources quotas, allocated for commercial fishing, fishing for scientific and supervision purposes, as well as with the purpose of fish breeding, reproduction and acclimatization of water biological resources

Memorandum on the results of Parallel Audit

Common questions:

- ▶ Effectiveness of government authorities activities for implementing the Agreement between the Government of Russian Federation and the Government of Ukraine on cooperation in the sphere of fishing industry dated September 24, 1992, as well as the decisions of Russian–Ukrainian Commission for fishing in the Sea of Azov
- ▶ The effectiveness of utilization of state funds, allocated for regulation, protection, research and reproduction of water biological resources and provision of ecological safety in the fishing basin of the Black Sea and the Sea of Azov

Memorandum on the results of Parallel Audit

Achieved objectives of the Parallel Audit:

- ▶ The actual state of implementing international agreements and the sphere of regulation, protection, research and reproduction of water biological resources and provision of ecological safety in the fishing basin of the Black Sea and the Sea of Azov has been determined
- ▶ The assessment of the utilization effectiveness of the funds, allocated for these purposes has been provided
- ▶ Common conclusions and recommendations have been stipulated

Memorandum on the results of Parallel Audit

Audits conducted by the Ukrainian Party:

- ▶ Utilization effectiveness of the state budget funds, allocated for the development of fishing industry (regulation of the Board of the Accounting Chamber dated July 08, 2008, #16-5)
- ▶ Utilization of the state budget funds by the research institutions of the National Academy of Sciences of Ukraine in Sevastopol (regulation of the Board of the Accounting Chamber dated February 09, 2010, #2-4)
- ▶ Utilization effectiveness of the state budget funds allocated for provision of environmental safety in the Black Sea and the Sea of Azov basin and protection, regulation and reproduction of water biological resources (regulation of the Board of the Accounting Chamber dated March 03, 2010, #5-2)
- ▶ Utilization of public funds allocated to State Fishery Committee of Ukraine in 2008-2009 for administration, regulation and control in the area of protection, use and reproduction of water living resources in Odesa, Mykolaiv and Kherson regions (regulation of the Board of the Accounting Chamber dated March 09, 2010, #5-3)

Memorandum on the results of Parallel Audit

Parallel Audit results

- ▶ Existing international agreements in the sphere of providing ecological safety and rational usage of biological resources in the fishing basin of the Black Sea and the Sea of Azov form a solid basis for joint cooperation in the sphere of protection and preservation of the Black Sea and the Sea of Azov environment and promote mutually beneficial collaboration for our countries
- ▶ However, due to the absence of real mechanism for implementation of bilateral agreement, its potential is not being used

Parallel Audit results

- ▶ Main environmental issues of the Black Sea and the Sea of Azov basin stay unsettled:
 - Pollution
 - Physical biotope destruction
 - Immigration of aggressive allochthonic hydrocoles
 - Reduction of natural water balance due to river flows overregulation

Parallel Audit results

- ▶ Main factors of water living resources catch reduction include:
 - Fishing industry fleet decay
 - Fishing gear and technology obsolescence
 - Insufficient measures for artificial reproduction of water biological resources in cases of worsening of their natural reproduction

Memorandum on the results of Parallel Audit

Parallel Audit results

- ▶ The most efficient mechanism for artificial increase of fish resources is the work of state fishing industry complexes

Parallel Audit results

- ▶ Activities in the sphere of protection and reproduction of water biological resources, as well as fishing industry regulating in the Black Sea and the Azov Sea basin have not been fully implemented due to insufficient allocation of funds from The state budget of Ukraine in 2008 and 2009

Memorandum on the results of Parallel Audit

Parallel Audit results

- ▶ Due to insufficient funding the following activities have not been fully implemented:
 - Scientific researches
 - General overhaul and reconstruction of incubation workshops
 - Technological supply of public industries, etc.

Memorandum on the results of Parallel Audit

Parallel Audit results

- ▶ Coordinated effort of both countries is needed to:
 - Increase effectiveness of usage water bodies in the Black Sea and the Sea of Azov fishing industry region
 - Resupply of their industrial resources
 - Obtain industrial production
 - Develop their recreational potential

Memorandum on the results of Parallel Audit

Thank you for attention!