

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

*Analysis of questionnaire results of the EUROSAI Task Force on
the Audit of Funds Allocated to Disasters and Catastrophes*

Within Strategic Goal 1 under the Work Plan of the EUROSAI Task Force on the Audit of Funds Allocated to Disasters and Catastrophes (hereinafter referred to as “Task Force”) for 2009-2011, the Accounting Chamber of Ukraine carried out a questioning among EUROSAI Task Force members and observers. The questionnaire’s aim is to collect the data on natural and man-caused disasters in Europe, SAIs’ audits in this area and methodology developed by European auditors.

The questionnaire is composed of 5 blocks of questions regarding:

- status and mandates of member SAIs,
- natural and man-caused disasters and catastrophes occurred in Europe, their classification in legislations of various countries, national policies and programmes for prevention and consequences elimination of disasters and catastrophes;
- subject audits conducted by member SAIs,
- disaster-related methodology and recommendations of INTOSAI working bodies and international organizations used by member SAIs; and
- further initiatives and possible contributions of the Task Force both to SAIS and EUROSAI.

11 member SAIs provided their answers to the questionnaire:

- Chamber of Accounts of Azerbaijan;
- State Control Committee of Belarus;
- Court of Audit of Belgium;
- National Audit Office of Bulgaria;
- State Audit Office of Hungary;
- National Audit Office of Lithuania;
- Court of Accounts of Moldova;
- Supreme Chamber of Control of Poland;
- Accounts Chamber of the Russian Federation;
- Supreme Audit Office of the Slovak Republic;
- Accounting Chamber of Ukraine.

I. SAI Information

Following the answers provided to Chapter I of the questionnaire, **Supreme Audit Institutions of all types participated in the survey**, i.e. of a Court model (Belgium, Bulgaria), a Board/Collegiums model (Azerbaijan, Moldova, Poland, the Russian Federation and Ukraine) and an Office of the Auditor/Comptroller General model (Hungary, Lithuania and the Slovak Republic). In Belarus, the President of the Republic performs a general administration and supervision over the activities of the State Control Committee to be headed by its Chairman.

Mandates of all respondents are set forth in the Constitution and/or special Law, and in Belarus it is specified also by the Decree of the President of Belarus.

The SAIs are **accountable** to the Parliament in the most countries (Azerbaijan, Belgium, Bulgaria, Hungary, Lithuania, Poland, the Russian Federation, the Slovak Republic and Ukraine). SAI of Belarus is accountable to the President. In Moldova the SAI has organizational, functional, operating and financial independence.

The majority of SAIs (Azerbaijan, Belarus, Belgium, Bulgaria, Hungary, Lithuania, Moldova, Poland, the Russian Federation, the Slovak Republic and Ukraine) have **a legislative mandate to perform** financial and performance audits. SAIs of Belarus, Belgium, Hungary, Moldova, the Slovak Republic and Ukraine are legislatively entitled to conduct compliance audit. The powers to carry out environmental audits are legislated for three SAIs (those of Belarus, Moldova and the Slovak Republic).

Almost all the respondents **audit all state authorities and institutions (both governmental and non-governmental ones) which receive the state funds aimed at prevention and consequences elimination of disaster and catastrophes**. Institutions of a non-government form of ownership in Belgium and private enterprises in Moldova are an exception.

All SAIs **exercise a control over the utilization of state funds allocated from the State Budget to local governments for prevention and consequences elimination of disaster and catastrophes**. At the same time, the Belgian SAI is in a position to perform an audit of government subsidies allocated to the local governments but is not entitled to audit such authorities.

In all responding countries, in addition to State Budget funds, the resources from local budgets are among **the sources for financing the measures aimed at prevention and consequences elimination of disasters and catastrophes**. In the most countries private enterprises' funds and charitable contributions are additional sources. For example, for this purpose the following sources of financing are foreseen: private insurance coverage - in Belarus and Belgium, insurance companies' payments and EU funds' resources - in Hungary, the government reserve – in Moldova, Ukraine and the Slovak Republic.

In Belarus, Bulgaria, Lithuania, the Slovak Republic, the Russian Federation and Ukraine the matter of **financial and/or material participation of various institutions, organizations (except the government) in prevention and consequences elimination of disasters and catastrophes** is regulated by their respective legislation. In Belgium this matter is enshrined in the EU law, as well as in federal and regional laws. The resolution of the government is envisaged in Hungary. As for Moldova, the government approved the Regulation on Providing Aid to the Victims of Natural Disasters Caused by Dangerous Geological Processes in Moldova and adopted the Resolution on Approval of the Standard Regulation on Establishment of Reserve Funds of Local Public Authorities and Use of these Funds.

The SAIs of Belarus, Bulgaria, Poland, the Russian Federation and Ukraine informed that **within their organizational structure there are special units dealing with disaster-related audit issues**. A staff number of such units and key areas of their activities differ and depend on assigned tasks.

The SAI of Belarus set up a unit that consists of 8 employees in charge for exercising a state control over use of the republican and local budget funds allocated to financing the consequences elimination of Chernobyl catastrophe, legality of organizations' utilization of material resources purchased from state funds for the purpose of consequences elimination of Chernobyl catastrophe, as well as over activities of state authorities and other organizations responsible for consequences elimination of the catastrophe, observance of laws in this area and other tasks.

The SAI of Bulgaria established a unit that consists of 19 auditors entrusted with tasks of auditing disaster-related funds. They also perform audits of state and private sectors' cooperation projects, loan contracts, as well as for protection of competition and governmental activity in the field of culture.

The Polish SAI's unit is composed of 40 employees exercising all audit functions related to disasters and catastrophes.

The Ukrainian SAI established a unit staffed with 9 employees dealing with such key focus areas as control over the State Budget revenues, earmarked and effective use of the funds allocated to mitigation of Chernobyl catastrophe consequences, as well as to prevention and consequences elimination of emergencies and natural calamities, functioning and utilization of the State material reserve and the State Budget reserve fund; participation in developing and carrying out the expert examination of regulations in these areas.

II. Natural and Man-caused Disasters and Catastrophes

Chapter II includes the questions regarding the data on emergencies, disaster and catastrophe classification accepted in various countries, national strategies and programs for prevention and consequences elimination of disasters and catastrophes.

Following the questionnaire results, almost all the respondents (8 out of 11) were positive while answering the question: *«Has your country experienced any disasters and catastrophes since 2004?»* The SAIs of Azerbaijan, Bulgaria and the Slovak Republic have not replied to this question.

The data on scale of disasters and catastrophes occurred and their total numbers were provided by the SAIs of Belarus, Lithuania, Moldova and Ukraine (the number of disasters was specified), Belgium, Hungary and Poland (without the number mentioned). According to their scale, the disasters and catastrophes were classified as national, regional and local ones. In addition, several respondents filled in the box «Other»: the State Control Committee of Belarus indicated a number of local-type emergencies, the Accounting Chamber of Ukraine specified a number of object emergencies, the Court of Accounts of Moldova did not give any definition to the emergencies mentioned. The summarized data on the scale of happened disasters and catastrophes are presented in Table 1.

Table 1

Scale of disasters and catastrophes

Scale of disasters and catastrophes	of man-caused type	of natural type
National	Belgium*, Ukraine - 21	Belarus - 59, Belgium*, Moldova - 68, Poland*, Ukraine - 6
Regional	Lithuania - 9, Moldova - 1, Ukraine - 76	Hungary*, Lithuania - 8, Moldova - 56, Poland*, Ukraine - 27
Local	Hungary*, Lithuania - 314, Moldova - 409, Ukraine - 741	Belarus - 20, Hungary*, Lithuania - 77, Moldova - 134, Poland*, Ukraine - 245
Other	Belarus - 57925, Moldova - 262, Ukraine - 538	Belarus- 145, Moldova - 121

* Quantitative data are not available.

Table 2 shows **summarized loss information** inflicted by consequences of disasters and catastrophes, according to the materials provided by the SAIs of Belarus, Belgium, Hungary, Lithuania, Poland and Ukraine.

Table 2

Losses inflicted by disasters and catastrophes

Type of disasters and catastrophes	Number of cases	Amount of losses, EUR ml	Number of people suffered	Number of people dead
Total	60,615	313.4	8,246	9,766
<u>Man-caused, including:</u>	<u>59,723</u>	<u>222.5</u>	<u>5,062</u>	<u>8,529</u>
transport accidents	439	10.1	1,284	1,247
fires	57,975	102.2	2,635	6,857
explosions	147	29.0	646	284
disasters and catastrophes with discharge (discharge threat) of dangerous and hazardous chemical and radioactive substances	57	0.1	138	6
sudden destruction of constructions	101	3.6	218	109
disasters and catastrophes in electrical power systems	167	8.5	0	0
disasters and catastrophes in life support systems	200	0.2	3	0
disasters and catastrophes in communications and	5	0	0	0

telecommunication systems				
disasters and catastrophes at treatment facilities	13	0.01	0	0
disasters and catastrophes in systems of oil and gas industrial sector	29	68.8	138	26
hydrodynamic disasters and catastrophes	2	0.03	0	0
other (Moldova: detection of unexploded ammunition)	588	-	-	-
<u>Natural, including:</u>	<u>892</u>	<u>90.9</u>	<u>3,184</u>	<u>1,237</u>
dangerous geological phenomena	36	0.1	46	60
dangerous meteorological phenomena	501	90.4	112	983
dangerous hydrological phenomena	44	0.3	630	46
deterioration of soils or depths	65	0.01	3	2
fires in natural environmental systems	197	0.02	2,392	146
infectious diseases and mass poisoning of people	49	0.03	1	0

Classification of man-caused disasters and catastrophes according to industrial sectors of economy was produced by the SAIs of Belarus, Belgium, Lithuania, Moldova, Poland and Ukraine (Table 3).

Table 3

**Number of man-caused disasters and catastrophes
according to industrial sectors of economy**

Industrial sectors of economy	Number of cases	Countries
Fuel and power sector	190	Belarus - 4, Belgium - 1, Lithuania - 4, Moldova - 5, Ukraine - 176
Industrial sector	963	Belarus - 618, Lithuania - 316, Moldova - 2, Poland - 6, Belgium - 2, Ukraine - 21
Agro-industrial sector	430	Belarus - 391, Lithuania - 37, Poland - 2
Transport and communications	3,640	Belarus - 3,269, Lithuania - 16, Moldova - 42, Poland - 2, Ukraine - 311
Construction and housing and utilities	2,872	Belarus - 2,834, Lithuania - 7, Moldova - 28, Poland - 3

Wastes management	7	Lithuania - 4, Moldova - 3
Other	50,834	Belarus – 50,830, Moldova - 4
including:		
Housing sector	46,649	Belarus
Entertainment and cultural establishments	63	Belarus
Educational establishments, research and design organizations, administrative offices	92	Belarus
Territory	4,026	Belarus
Explosions in open areas	4	Moldova

Analysis of disasters and catastrophes occurred according to the ecosystem`s elements (Table 4) that is based on the data provided by the SAIs of Belarus, Belgium, Lithuania and Moldova showed that the majority of happened disasters and catastrophes were related to the natural environment.

Table 4

**Number of natural disasters and catastrophes
according to the ecosystem`s elements**

Ecosystem`s elements	Number of cases	Countries
Natural environment	219	Belarus - 163, Belgium - 5, Lithuania - 47, Poland - 4
Air space	7	Poland
Flora	7	Belarus - 2, Lithuania - 5
Fauna	24	Belarus - 21, Moldova - 3
Climate change	15	Belarus - 7, Moldova - 8
Other	31	Belarus

The SAIs of Belarus, Belgium, Lithuania and Moldova noted that, **according to the pattern of occurrence**, the disasters and catastrophes were mainly caused by internal factors but there were also some cases of disasters and catastrophes that occurred in connection with other countries. The figures are set forth in Table 5.

Number of disasters and catastrophes according to their pattern of occurrence

Pattern of occurrence	Number of cases	Countries
Subject to internal factors	59,534	Belarus – 58,170, Belgium - 1, Lithuania - 408, Moldova - 951, Poland – 4
Subject to external factors (connected with other countries)	12	Belgium - 5, Poland - 7

The high frequency and intensity of disasters and catastrophes raise concerns among the public and governments of various countries. In most countries (Azerbaijan, Belarus, Belgium, Hungary, Lithuania, Moldova, Poland, the Russian Federation and Ukraine) the disaster-related questions have been raised at the governmental and public levels and in mass media.

As a result, almost in all these countries (Azerbaijan, Belarus, Belgium, Hungary, Lithuania, Poland, the Russian Federation) *national strategies for elimination of consequences and/or potential risks of disasters and catastrophes and their prevention* have been in place.

Analysis of the questionnaire shows that in the majority of countries (Azerbaijan, Belarus, Hungary, Lithuania, Moldova, Poland, the Russian Federation and Ukraine) national documents envisage *the classification of disasters and catastrophes*.

In Azerbaijan disasters and catastrophes are classified according to two types – natural and man-caused. Natural disasters and catastrophes include geophysical, geological, meteorological, hydrological and natural fires. Man-caused disasters and catastrophes are related to fires, explosions, destruction of constructions, disasters and catastrophes with discharge of dangerous and hazardous chemical and radioactive substances, disasters and catastrophes in public power systems, disasters and catastrophes in oil extraction and processing facilities, main pipelines, refining and hydrotechnical facilities, as well as transport accidents.

In Belarus, pursuant to the Law «On Protection of Population and Territories from Natural and Man-Caused Disasters and Catastrophes», disasters and catastrophes are classified as areal, local, regional, republican (national) and transboundary ones.

In Hungary there is the following classification of disasters and catastrophes: man-made (including nuclear disasters and those caused by hazardous materials), human and ecological (including ecological; fires damaging environment; epidemics; proliferation; migration; terrorism) and natural (including hydrological; meteorological; geological).

In Lithuania disasters and catastrophes are classified according to their types (natural, man-caused, ecological, social) and scales (national, county, local).

In Moldova, pursuant to the Resolution of the Government of Moldova “On Procedure for Collection and Exchange of Information in the Field of Protection of Population and Territory under Emergency Situations”, disasters are classified:

- depending on triggering factors – man-caused disasters (transport accidents, fires, explosions, explosion threats, disasters and catastrophes with discharge (discharge threat) of dangerous and hazardous chemical substances, excess of the maximum allowable concentration of harmful substances in the environment, disasters and catastrophes with discharge (discharge threat) of dangerous and hazardous radioactive substances, sudden destruction of constructions, disasters and catastrophes in electrical power systems, disasters and catastrophes in life support systems, disasters and catastrophes in communications and telecommunication systems, disasters and catastrophes at treatment facilities, hydrodynamic disasters and catastrophes), natural disasters (geophysical, geological, meteorological, agro-meteorological, hydrological, hydrogeological and natural fires connected with the change in condition of soil, atmosphere, hydrosphere, biosphere), socio-biological disasters (infectious human diseases, human poisoning, infectious diseases of farm animals, mass poisoning of farm animals, mass mortality of wildlife animals, affection of agricultural plants with diseases and pests); depending on a number of victims of disasters and catastrophes, inflicted material damage, expansion of affected areas, scale of consequences – object, local, territorial (at the level of district or region), national and transboundary.

In Poland disasters and catastrophes are classified according to two types: natural and man-caused.

In the Russian Federation, in accordance with the Resolution of the Russian Federation’s Government “On Classification of Natural and Man-Caused Disasters and Catastrophes”, disasters and catastrophes are classified according to the categories:

local, municipal, intermunicipal, regional, interregional and federal. According to the cause of occurrence disasters and catastrophes are divided into natural and man-caused. According to the rate of spread the disasters and catastrophes are divided into sudden, galloping, moderate and gradual.

The classification in Ukraine distinguishes four levels of disasters and catastrophes – national, regional, local and object in accordance with a territorial spread, volumes of inflicted or expected economic losses, number of people dead.

SAIs of Hungary, Lithuania, Poland, the Russian Federation and Ukraine indicated *government programmes for consequences elimination of disasters and catastrophe, as well as government programmes for prevention of disasters and catastrophes and mitigation of their associated risks* in place in their countries. Respective government programmes are also adopted in Azerbaijan, Belarus and Belgium.

In Azerbaijan, Belgium, Hungary, Lithuania, Poland, the Russian Federation and Ukraine the state budget is a principal *financing source* for such programmes. In Belarus these specially designated funds are provided from republican and local budgets, as well as from organizations, insurance funds and other legal sources. In Hungary in addition to the state budget, the resources of EU funds are available for these purposes. Local governments may also use own resources.

In the majority of countries (Azerbaijan, Belarus, Belgium, Hungary, Lithuania, Poland, the Russian Federation and Ukraine) the government programmes set forth state budget expenditures for elimination of natural disasters and catastrophes: floods threat, soil and environment preservation, climate change threats, water balance threats etc. In addition the government programmes of Belarus, Belgium and Ukraine refer specifically to state budget expenditures for elimination of potential man-caused disasters and catastrophes in construction projects, industrial production, mining industry, fuel and power sector, transportation, wastes management and military objects etc.

In Belgium the appropriations are made for standard setting, information and inspection on air pollution, fire prevention for construction projects, “Seveso” businesses, gas transportation, hazardous materials transportation, nuclear wastes treatment; prevention and cleaning-up of pollution at military bases.

In Hungary national documents do not allocate resources directly to the individual sectors. Instead, the ministries set the technical standards (i.e. engineering requirements) to be fulfilled. Furthermore, the Hungarian “Disaster Management Act” now incorporates relevant provisions from the EU's “Seveso Directives” and accordingly requires the concerned Hungarian agencies, organizations to develop (and comply with) their respective “Seveso-compliant” disaster management plans.

There is a federal special-purpose programme for mitigation of risks and consequences of disasters and catastrophes covering all economy sectors in the Russian Federation.

In Ukraine appropriations are effected on the basis of the National Programme for consequences elimination of the Chernobyl catastrophe for 2006-2010 approved by the Law of Ukraine and the Programme for support of error-free operation and explosion and fire safety of arsenals, bases and storages for armament, missiles and ammunition of Armed Forces of Ukraine for 1995-2015 approved by the Decree of the Cabinet of Ministers of Ukraine.

III. Audits Conducted by SAIs

Chapter III includes 21 questions connected with auditing the prevention, response and consequences elimination of disasters and catastrophes.

SAI of Belarus, Belgium, Bulgaria, Hungary, Poland, the Russian Federation and Ukraine answered positively to the question: “*Has your SAI conducted any audits on prevention, response and consequences elimination of natural and man-caused disasters and catastrophes since 2004?*” These audits were initiated on both SAIs’ own initiatives (Belarus, Belgium, Bulgaria, Hungary, the Russian Federation and Ukraine) and according to orders by Heads of their states (Belarus), national Parliaments’ orders (Poland, the Russian Federation) and pursuant to government programmes (Ukraine). SAIs of Hungary, the Russian Federation and Ukraine conducted national and cooperative audits when SAIs of Belarus, Belgium and Poland performed only national audits.

SAIs of Lithuania and Moldova carried out audits that *referred indirectly* to the issues of prevention, response and consequences elimination of man-caused and natural disasters and catastrophes.

The Chamber of Accounts of Azerbaijan and the Supreme Audit Office of the Slovak Republic conducted neither audits on prevention, response and consequences elimination of man-caused and natural disasters and catastrophes, nor audits covering indirectly such issues.

Audit types. The SAIs undertook different audit types while auditing the prevention, response and consequences elimination of disasters and catastrophes, namely:

- **financial** (SAIs of Belarus, Belgium, the Russian Federation, Ukraine);
- **compliance** (SAIs of Belarus, Moldova, Ukraine);
- **performance** (SAIs of Belarus, Belgium, Bulgaria, Hungary, Lithuania, the Russian Federation, Ukraine) and
- **combined** (SAIs of Belarus, Hungary, Poland, Ukraine).

Besides the Court of Accounts of Moldova performed an audit on utilization of state budget funds allocated to the Civil Protection and Emergencies Service and an audit on public purchases.

Following the nature of disasters and catastrophes, the SAIs of Hungary and Ukraine carried out audits on **natural and man-caused** disasters and catastrophes, the SAI of Belarus effected audits on **man-caused** disaster and the SAI of Poland executed an audit connected with **a natural** disaster.

The issues of prevention of disasters and catastrophes were reviewed in the course of audits by the SAIs of Hungary, Poland, the Russian Federation and Ukraine, **elimination of disasters and catastrophes** were covered under audits by the SAIs of Hungary, Poland, the Russian Federation and Ukraine and **consequences elimination of disasters and catastrophes** were under analysis in audits of the SAIs of Belarus, Bulgaria, Hungary, the Russian Federation and Ukraine.

The answers to the question: **“Specify the area under the audits of man-caused disasters and catastrophes”** are presented in the Table 6.

Area under the audits of man-caused disasters and catastrophes

	Number	Countries
Fuel and power sector	3	Belarus, Belgium, Ukraine
Industrial sector	3	Belarus, Poland, the Russian Federation
Agro-industrial sector	2	Belarus, the Russian Federation
Transport and communications	1	Belarus
Construction and housing and utilities	4	Belarus, Poland, the Russian Federation, Ukraine
Other	1	Belgium - explosives and pyrotechnic articles

The audits by the SAIs of Belgium, Hungary, Poland, the Russian Federation and Ukraine covered *the issues of implementation of international agreements/accords*.

For instance, the SAI of **Belgium** scrutinized EU directive 2007/23 on the placing on the market of pyrotechnic articles. The SAI of **Hungary** reviewed three bilateral agreements concluded on border waters with Ukraine, Austria and Slovenia. The SAI of **Poland** took the corresponding agreements with the Slovak Republic, Germany and the Czech Republic. The SAI of the **Russian Federation** analyzed the agreement on the Strait of Kerch with Ukraine. The SAI of **Ukraine** investigated the agreements with Austria, Hungary and the Russian Federation.

Received questionnaire results revealed that the SAIs of Hungary, Poland, the Russian Federation, the Slovak Republic and Ukraine were active in carrying out *joint/parallel audits* on prevention and consequences and/or potential risks elimination of disasters and catastrophes. The SAI of the Russian Federation indicated that these audits were conducted within EUROSAI WGEA Special Subgroup.

The SAI of **Hungary** specified among *the reasons for such joint/parallel audits* the fact that disasters and catastrophes are "going beyond the borders". That is why adequate systems must be in place in each concerned country for forecasting the danger, measuring the relevant values, running, maintaining, developing the facilities, and "handling" the emergency situations. The SAI of the **Slovak Republic** mentioned the Chernobyl Shelter Fund, Shelter Implementation Plan, stabilization of the existing

sarcophagus and construction of a new safe confinement around the old structure as essential basis for such auditing.

In their audits the SAIs of Belarus, Belgium, Bulgaria, Hungary, Moldova, Poland, the Slovak Republic and Ukraine focused on auditing the utilization of state funds allocated for the above purposes. The SAI of the Russian Federation examined both state and other earmarked funds.

The majority of the SAIs was positive while answering the question: ***“Does your SAI monitor the progress of responding to audit conclusions and recommendations?”***

In their activities the SAIs propagate the principles of transparency and publicity making an integral part for an independent constitutional body of financial and economic control in the country. With the help of mass media the SAIs could be fast in communicating audit findings to a society that would facilitate public control over budget revenues and expenditures.

The survey results placed a correspondence with auditees and a check of response progress among the most accepted *information source of response* for the SAIs (see Table 7). At the same time parliamentary and government hearings and mass media remain faithful sources of such information.

Table 7

Reference sources for establishing response progress to SAIs' audits

	Number	Countries
Mass media	2	Belgium, Ukraine
Check of response progress	6	Belarus, Belgium, Hungary, Poland, the Russian Federation, Ukraine
Parliamentary hearings	2	Belgium, Lithuania
Government hearings	2	Belarus, Poland
Correspondence with auditees	8	Belarus, Belgium, Bulgaria, Lithuania, Moldova, Poland, the Russian Federation, Ukraine

While exercising auditing functions on an annual basis the SAIs identify nation-wide problems and draw special attention of national parliaments, governments and executive authorities to be addressed.

Following the questionnaire results, only the national parliaments of Belgium, Hungary, Poland, the Russian Federation and Ukraine considered audit findings of national SAIs. On the basis of national parliaments' consideration in Hungary, Poland and the Russian Federation respective amendments were made to legislation and appropriate national programmes.

The majority of respondents were negative while answering the question: *“Were the audit findings presented and considered by international (EU) structures and bodies?”* The SAIs of Hungary and Poland presented copies of audit reports to international bodies for the purpose of informing and better understanding of existing problems.

IV. Methodology and Recommendations

Chapter IV entails the questions on using disaster-related papers/guidance of INTOSAI working bodies and international organizations, available methodology and recommendations on auditing prevention and consequences elimination of disasters and catastrophes, as well as an interest in developing respective recommendations.

While answering the question: *“Does your SAI use any disaster-related papers/guidance of INTOSAI working bodies and international organizations?”* the vast majority of the SAIs stated that they didn't use such materials. The SAI of **Belarus** indicated that it uses the papers and materials of I Meeting of the EUROSAI Task Force on the Audit of Funds Allocated to Disasters and Catastrophes in its activity.

The SAI of **Hungary** paid attention to the papers issued in 2004 by the INTOSAI Working Group on Environmental Auditing to be taken into consideration as "key" (collections of useful highlights, comments) before starting the audit on the "preparations for the prevention of natural disasters". They included *“Auditing Water Issues: Experiences of Supreme Audit Institutions”*, *“Sustainable Development: Role of SAIs”*.

In answering the question: *“Does your SAI have any own methodology and recommendations on auditing disasters and catastrophes?”* all SAIs were negative and expressed their interest in developing such papers. In doing so all respondents deem necessary to incorporate the following issues into the recommendations: *Best*

practice, Planning of audits, Risks assessment, Sources of receiving information, Data collection methods, Efficiency criteria.

V. Conclusions

Chapter V consists of 3 questions connected with potential contributions of the EUROSAI Task Force to SAIs' activities in auditing prevention and consequences elimination of disasters and catastrophes.

While answering the question: ***“How do you think the EUROSAI Task Force could contribute to the activities of your SAI in the area of prevention and consequences elimination of disasters and catastrophes?”*** all SAIs were unanimous in their judgments. If summarized, the following activities of the Task Force could be distinguished:

- arrangement of topical workshops,
- collection and exchange of lessons learned and best practice,
- initiation and conducting parallel and joint audits and
- development of specific methodology for auditing consequences elimination of natural and man-caused disasters and catastrophes.

The majority of respondents also believe that ***EUROSAI could bring real added value to the matter of prevention and consequences elimination of disasters and catastrophes in Europe*** by organizing a number of topical international conferences attended by authorities and aimed at a better understanding of received SAIs' audit findings in this area; arrangement of exchange of lessons learned and best practice; the EUROSAI Secretariat's presentation of summarized audit results for consideration by the European Parliament; extension of both bilateral and multilateral cooperation framework (collaborative auditing); effective running of the Task Force web-page.

Regarding ***further initiatives on prevention and consequences elimination of disasters and catastrophes both within EUROSAI and on bilateral level*** the most SAIs suggest setting up adequate framework for close professional relationship in this area, more productive information exchange in the form of audit reports, arrangement of conferences to be obligatory attended by authorities, carrying out cooperative audits.

Summary

Analysis of SAIs' existing international practice and experience within the activities of the EUROSAI Task Force on the Audit of Funds Allocated to Disasters and Catastrophes indicates their considerable interest in developing methodology for auditing prevention and consequences elimination of disasters and catastrophes.

Detrimental effects of disasters and catastrophes with people suffered and facilities destroyed force states, various non-governmental organizations, companies and other donors to provide disaster-related aid. In its turn this aid poses problems since there are cases of fraud and corruption.

To ensure transparency and accountability in issuing and employing disaster-related aid the SAIs established specialized units dealing with financial, compliance and performance audits. The questionnaire evidenced that SAIs have already accumulated some experience in disaster-related audits, however a methodological framework for audit quality improvement is absent with no productive experience and information share introduced. This provides reasonable grounds for the development of *draft methodological recommendations*. In addition, there is an increasing necessity to integrate many terms and definitions, study experience of other INTOSAI members, as well as further revise auditing functions and procedures of EUROSAI member SAIs.

To achieve its set goals the EUROSAI Task Force is in the process of summarizing best practice of auditing the funds allocated to prevention and consequences elimination of disasters and catastrophes. This practice entails international lessons learned while auditing disaster-related aid. It requires more clearly defined terms, avoiding ambiguous interpretations, namely such terms as "catastrophe", "disaster", "emergency", "anthropogenic, natural and man-caused disaster and catastrophe" etc. Following the received results it is possible to single out some model areas to be presented in the draft methodological recommendations, in particular: Best practice, Planning of audits, Risks assessment, Sources of receiving information, Data collection methods, Efficiency criteria.

With due regard to importance of further clarification, negotiation and completing the draft methodological recommendations on auditing the funds allocated to prevention and consequences elimination of disasters and catastrophes, it is essential to arrange a proactive audit experience and information exchange among all EUROSAI members.