



**ACCOUNTING CHAMBER
OF UKRAINE**

MINUTES

of the VIth Meeting and Seminar of the EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes

24-25 November 2020 (online)

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The VIth Meeting and Seminar of the EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes (EUROSAI WGAFADC) were held online on 24-25 November 2020. The events were attended by 43 representatives of SAIs of 14 countries, namely: the Republic of Albania, the Republic of Belarus, the Republic of Bulgaria, Georgia, the Italian Republic, the Republic of Kazakhstan, the Republic of Latvia, the Republic of Moldova, the Republic of Poland, Romania, the Republic of Serbia, the Republic of Turkey, Ukraine, the Republic of Indonesia, as well as of the European Court of Auditors. The event was moderated by a member of the Accounting Chamber of Ukraine Viktor Bohun.

24 November 2020

The VIth Meeting of the EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes

The meeting began with introduction of the participants, after which the moderator of the meeting Viktor Bohun acquainted the participants with the program of the event.

The Chairman of the Accounting Chamber of Ukraine addressed the participants of the event with a welcoming speech. He greeted those present, noting that efforts are needed to address and resolve the consequences of emerging disasters with the involvement of international organizations, international experts, international financial assistance and

international volunteer organizations. He stressed the need to intensify the work of EUROSAI WGAFADC, in particular, in terms of expanding cooperation with non-governmental organizations and experts; increasing the publicity of work; active promotion of results; considering working more closely with other groups within the framework of EUROSAI and INTOSAI.

The ACU's Chairman also noted that conducting national and international audits on disaster risk reduction, as well as developing common best practice recommendations, should receive additional impetus in the activities of SAIs and EUROSAI working groups. He added that in order to achieve these goals the Accounting Chamber prepared the Strategic Plan of the EUROSAI WGAFADC for the next three years, and expressed hope that the members of the Working Group would support this plan.

Then, in accordance with the program of the meeting, the ACU's representatives made presentations.

Inga Kramarenko – Chief Specialist of the Agricultural Industry, Natural Resources Use and Environmental Protection Control Department of the Accounting Chamber, presented the results of the International Coordinated Audit on the Prevention and Consequences Elimination of Floods. She thanked the participants of this audit for their cooperation and noted the highly professional approach both in preparing the materials of national audits for the joint document and in working on the Joint Report.

The representative of the Accounting Chamber noted that during the audit, with participation of the SAIs of the Republic of Belarus, Georgia, the Republic of Poland, the Republic of Serbia, the Republic of Turkey, Ukraine, as well as of the European Court of Auditors, cooperation was carried out by conducting national audits, taking into account the general objectives and subject of the international audit, defined by the Common Position on cooperation in conducting this international coordinated audit.

It was emphasized that the international coordinated audit managed not only to accumulate the main results of the audits of the 7 SAIs, but also to identify common issues in the field of flood protection, and to formulate a number of general key recommendations to governments and authorities of our countries, supported by all the participants of the audit. In general, the results of national audits and the general conclusions of the international coordinated audit confirm that in the process of disaster management the amount of funds aimed at reducing the risk of disasters is the most cost-effective, as appropriate prevention measures can significantly reduce the negative effects of natural disasters.

In conclusion, Ms. Kramarenko summarized that the draft Joint Report was sent to and approved by all SAIs participants in the international coordinated audit. All comments and amendments were taken into account when finalizing the document. A layout of the Joint Report on the results of the international audit is currently being prepared and will be sent for signature by the leaders of the SAIs and sent to all members of the Working Group and EUROSAI bodies.

*In addition, Mr. Bohun informed the participants of the meeting that the results of another **international audit on transboundary movements of wastes in the light of the Basel Convention provisions,** which was carried out by the SAIs of Poland, Slovakia and Ukraine,*

are being agreed. The coordinator of this audit is the SAI of Poland. It was emphasized that the Joint Report on the results of this audit will soon be signed by the participants and presented to the members of the Working Group.

Liliya Prudyvus – Chief Specialist of the Agricultural Industry, Natural Resources Use and Environmental Protection Control Department, the Accounting Chamber of Ukraine presented the results of the International coordinated audit on Waste Management and Utilization. She noted that the international audit was carried out in line with the Strategic Plan of the Working Group for 2017-2021, the Work Plan of the Accounting Chamber for 2020, and with the Common Position on cooperation during conducting the International coordinated audit on Waste Management and Utilization. The SAIs of Moldova, Serbia and Ukraine took part in the audit.

It was emphasized that the purpose of the national audits was to assess the state and effectiveness of the waste management system in the countries whose SAIs are participants in the audit. Thus, the report on the results of the audit is based on the general findings and conclusions obtained from the national audits conducted by the SAIs in the field of household, industrial and other hazardous waste, which can pose a serious threat to human health and the environment, as well as lead to environmental and man-made disasters.

According to Ms. Prudyvus, the results of the national audits showed that, although the audits were conducted in the field of different types of waste management, for countries whose SAIs participated in the audit, inconsistencies and problems within existing waste management systems are common. The results of the joint audit indicate the need to strengthen the efforts of governments to move from the existing linear economy to a circular one, based on the maximum recycling of waste generated in the territories of the countries. As well as the creation of an integrated waste management system in accordance with the existing “Waste Management Hierarchy” in the EU in order to reduce the negative impact on the environment, public health and prevent environmental and man-made disasters.

In conclusion, it was noted that the layout of the Joint Report of this audit will be sent for signature to the SAIs-participants (for obtaining electronic signatures of leadership) and sent to members of the EUROSAI WGAFADC.

Mr. Bohun then reminded the participants of the meeting that in 2015 a survey was conducted among the SAIs - members and observers of the Working Group, during which the participants identified the prevention and elimination of floods as one of the most relevant, both for international audits and for the development methodological materials, in particular good practice recommendations for conducting audits in this area.

Taking into account the results of the survey, the development of these Recommendations was included in the current Strategic Plan of the Working Group for 2017-2021, within the Strategic Goal 2 “Professional development”.

The draft of these Good practice recommendations was presented to the participants of the previous Vth meeting, which took place in April 2019 in Tirana, Albania. After that, the secretariat of the Working Group sent it to all participants and observers for the opportunity to express their comments and suggestions on the document, which were taken into account during its completion.

Inga Kramarenko – Chief Specialist of the Agricultural Industry, Natural Resources Use and Environmental Protection Control Department of the Accounting Chamber, presented **the Good Practice Recommendations for Conducting Audits in the Field of Prevention and Consequences Elimination of Floods**. She noted that the draft of these Recommendations has been updated this year, taking into account information on floods in 2019, as well as it was supplemented with information on the results of the Joint audit on prevention and consequences elimination of floods conducted within the EUROSAT WGAFADC.

It was emphasized that the purpose of this document is to assist supreme audit institutions in improving the quality of audits on flood prevention and management by selecting, summarizing and disseminating best practice in auditing in this area. As noted, in developing the Recommendations, the materials presented at the annual meetings of the Working Group were analyzed and summarized; maintained a database of audits of natural and man-made disasters in Europe and analyzed the relevant reports on the results of audits; analyzed the reports on the results of audits on this topic, posted in the database of audits on the EUROSAT website; documents of international organizations on catastrophe issues were studied.

According to Ms. Kramarenko, in general, the Recommendations are a logical complement and specification of the Good practice recommendations for the audit of funds allocated to disasters and catastrophes, prepared by the previous Task Force on the Audit of Funds Allocated to Disasters and Catastrophes (which was functioning before the current Working group) and approved by the IX EUROSAT Congress in 2014.

After the presentation and the absence of any comments from the participants of the meeting to the Good practice recommendations for conducting audits in the field of prevention and consequences elimination of floods, the document was unanimously approved.

In accordance with the Agenda of the VIth Meeting of the Working Group, the next presentation on **the draft Strategic Plan of the Working Group for 2021-2024 was made by Viktor Bohun – Member of the Accounting Chamber**. He noted that in order to continue active work in the field of prevention and consequences elimination of catastrophes, further international coordinated audits in this area, providing training for auditors, exchange of experience and best practices on audit in the field of disaster prevention and response, implementation developed methodology and relevant international ISSAIs, the Accounting Chamber of Ukraine, which chairs the Working Group, with the support of its members, initiates to extend the mandate of the EUROSAT Working Group for the next period 2021-2024. To this end, the Working Group prepared the draft Strategic Plan for 2021-2024, which will contribute to the achievement of the EUROSAT Strategic Goals for 2017-2023, INTOSAT Strategic Goals for 2017-2022, as well as to the implementation of the UN Sustainable Development Agenda until 2030.

He stressed that according to the draft document, the mission of the EUROSAT WGAFADC remains unchanged and is defined as: “Capacity building, coordination and consolidation of efforts of the European SAIs to help their governments in development of effective and efficient instruments for prevention and consequences elimination of disasters and catastrophes”. In 2021-2024, the mission of the Working Group will be implemented “in three steps” by implementing three Strategic goals in order to mobilize the efforts of

supreme audit institutions – members of the Working Group, aimed at: 1. Professional development of auditors (Step 1 “TOWARDS”); 2. Disaster prevention and minimization of relevant threats (Step 2 “FORWARD”); 3. Effective external communication (Step 3 “TO THE WORLD”).

He noted that the issue of extending the mandate of the EUROSAI WGAFADC and approving the Strategic Plan will be officially decided at the next XI EUROSAI Congress. At present, the draft Strategic Plan is posted on the Working Group’s webpage. He encouraged the participants of the meeting - members of the Working Group, if available, to offer their ideas or comments on the content of the document and prospects for further development of the group in the next period, and send them to the Secretariat. After the approval of the Strategic Plan, the next meeting of the Working Group will form the scope of tasks for the coming year, a kind of a “Road Map”, indicating more specific deadlines for the implementation of certain tasks and activities.

Concluding the VIth meeting of the EUROSAI WGAFADC, Mr. Bohun thanked all the participants for their fruitful work, and expressed hope for even more effective cooperation in the next strategic period.

25 November 2020

Seminar of the EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes on the topic “Prevention of man-made disasters: three steps in the future”

On 25 November 2020, in the framework of the VIth Meeting of the EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes, the Seminar on the topic “Prevention of man-made disasters: three steps in the future” was held online.

While opening the Seminar, Viktor Bohun – Member of the Accounting Chamber, a moderator of the event, noted that in general, government bodies are responsible for disaster prevention and response, the use of early warning systems, evacuation plans, the supply of resources and assistance, and the assessment of the post-disaster situation and the provision of information on such assessments.

According to him, research conducted in the development of the ISSAIs 5500 series on audits of disaster-related aid shows that in some countries, governments have not yet realized the importance of implementing policies and plans to reduce disaster risks. Therefore, it will be very important for the SAIs – members of the EUROSAI WGAFADC to conduct audits of government preparedness for disasters.

In accordance with the agenda, the Seminar began with **a presentation on the topic “Three academic steps towards the man-made disaster prevention: identification, assessment, dealing with uncertainties”, which was made by Mykhailo Grodzynskiy** – Doctor of Science (Geography), Head of Department of Physical Geography and Geocology, Professor, Corresponding Member of the National Academy of Sciences of Ukraine.

In his presentation, Mr. Grodzynskiy acquainted the audience with man-made disasters from an academic point of view, definitions of disasters, relevant theories, criteria for identification and assessment of man-made events, uncertainty and probability of preventing man-made disasters, etc.

Mr. Grodzynskiy noted that the latest European Commission survey (Special Eurobarometer 464b: Europeans' attitudes towards security, December 2017) confirmed the statement that most people do not even want to think about disasters and their consequences. The solution is obvious: somebody must take responsibility for a man-made disaster, assessing it from different points of view, for different actors. These should be scientific, governmental and non-governmental institutions. Among them are supreme audit institutions.

The next speaker with **a presentation on the topic “Man-made Disasters and Their Audits Lesson-learned from previous man-made disaster related audits” was Edward Ganda H. Simanjuntak** – Senior Advisor on Environment and Sustainable Development of the Audit Board of the Republic of Indonesia. He acquainted the seminar participants with the experience of conducting audits in the field of disaster prevention and response.

In particular, Mr. Simanjuntak presented the results of three audits conducted by the Audit Board of the Republic of Indonesia, namely: 1) Audit on Flood Disaster Management in the River Watershed (2008); 2) Audit on Government Activities in Mitigating the Forest Fires (2014); 3) Audit on Disaster Risk Reduction Programs (2017). It was noted that, for all three audits in general, the Audit Board recommended that government agencies improve plans, guidelines, working procedures, mechanisms, coordination and training to improve efforts to reduce the frequency and recurrence of disasters.

In addition, participants were introduced to the characteristics of man-made disasters, audit strategies, audit tools and expertise.

The next presentation **on the topic “An evaluation of using the ISSAIs 5500 series in the auditing of disasters: Natural & Man-made” was made by Mrs. Arife Coskun** – Principal Auditor-Audit Manager, Turkish Court of Accounts.

Mrs. Coskun acquainted the participants with the main stages of disaster management, international policies and global disaster risk reduction goals, the SAIs' study on disaster management, and recalled the key points of the ISSAIs 5500 series. In particular, the main issues facing the supreme audit institutions were identified: How to promote better governance and accountability in the multi-stakeholders environment? How to improve cooperation on global issues such as disaster management? Challenges and solutions in the light of the SAI's experience obtained from disaster management audits and the Sustainable Development Goals.

At the end of the seminar, Viktor Bohun thanked all the participants for their work, noting that there was a rich and really effective discussion of all important issues. He expressed confidence that each of the participants would learn from this event a lot of useful things and new ideas for their work, and called for the continuation of fruitful cooperation within the Working Group.