



INTOSAI
Working Group on
Environmental Auditing

MINUTES
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Steering Committee*

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Welcome and introductions (Canada)

The Chair, Ms. Johanne G elinas, Commissioner of the Environment and Sustainable Development welcomed everyone to the fifth steering committee meeting (SC5) in Vancouver. She also introduced Mr. Rick Smith, Assistant Auditor General.

Ms. G elinas and Mr. Smith took this opportunity to thank steering committee members for their accomplishments within the WGEA and highlighted the importance of this contribution to the OAG of Canada's own international agenda.

Opening remarks

Mr. Arn van Iersel, Interim Auditor General for the Province of British Columbia

Mr. Arn van Iersel, Interim Auditor General for the Province of British Columbia (BC), introduced and briefly explained the structure of the Office of the Auditor General (OAG) of BC, which was established in 1976.

In the report that the OAG BC releases every year in June (in which it is required to report against its Annual Service Plan) the OAG BC reported its recent accomplishments, including an updated *Auditor General Act*.

Environmental auditing

Part of the OAG BC's mandate is to conduct environmental and sustainable development audits. One example of the first signs of global warming in BC is the devastation of forests by the pine beetle, which is an insect that likes mature pine and mild weather. Because British Columbia has more old pine than ever before, and has had several consecutive mild winters, mountain pine beetle populations have exploded to epidemic levels. The OAG BC plans to conduct an audit to assess how the provincial government is managing this long-term issue.

All reports on environmental audits, including audits of drinking water, salmon, the management of contaminated sites, and habitat protection are available on the OAG BC's website: www.bcauditor.com.

Collaborative audits

Canada does not have a long tradition of collaborative audits. However, in 2004, the auditors general of Canada and British Columbia did parallel audits on salmon management, which gave them the opportunity to cover both federal and provincial mandates on this issue.

Mr. Bob Mills, Member of Parliament and Chair of the Standing Committee on Environment and Sustainable Development

Mr. Bob Mills has been a Member of Parliament and has been on the Standing Committee on the Environment and Sustainable Development for many years and, in February 2006, became its Chair. Mr. Mills and Ms. G elinas have been discussing many environmental issues, including climate change, on which a CESD report will be tabled in Parliament in September 2006.

The Committee which Mr. Mills chairs focuses on finding solutions and developing non-partisan action plans to deal with pressing environmental and sustainable development issues, under the Canadian government. Through her reports and hearings, the Commissioner (under the OAG Canada) plays a critical role, which includes

- raising issues before the Committee;
 - informing Parliament of the federal government's progress;
 - ensuring that environmental and sustainable development issues are given high priority in the federal government; and,
 - developing and putting action plans in place.
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Chair's progress report

The Chair (Ms. Johanne G elinas) presented an update on the impressive 2005–07 WGEA work plan, which was built by the steering committee members, and reported that many of the underlying products are evolving very well. She also took the opportunity to thank everyone for making the meeting in Moscow a success.

Steering committee membership

The Chair welcomed the SAI of Egypt (Samia Labib) to SC5. In the spirit of transition to a new chair and the development of the next work plan, the Chair also mentioned that SC will need to discuss the future functioning of the WGEA and SC, including SC membership, rotations and future candidates.

Upcoming meetings

Due to security reasons SC6, in February 2007, cannot be held in Ethiopia (as originally planned); it will likely take place in Fiji. Ms. G elinas welcomed the SAI of Fiji to the steering committee, and Mr. Atunaisa Nadakuitaviki indicated that it would be a pleasure for his SAI to host SC6.

The SAIs of Qatar and Tanzania volunteered to host the WG11. Because Tanzania was the first country to offer, it's been decided that WG11 will take place in the city of Arusha, Tanzania, during the week beginning 25 June 2007.

Next Chair of the WGEA

The SAI of Canada will pass on its role of WGEA Chair by the next INCOSAI meeting, in Mexico in November 2007, but will remain actively involved in the WGEA. Ms. G elinas informed the steering committee that SAI of Estonia made a formal proposal to become Chair of the WGEA; a proposal that will be discussed during SC5.

Summary of discussion with 2005–07 papers authors

Background

The SAI of Canada (the Secretariat) oversees the development of four WGEA papers.

- Moving towards auditing biodiversity (Brazil and Canada)
- Cooperation between SAIs on international audits: Tips and examples (the Netherlands and Poland)
- Evolution and trends in environmental auditing (Canada)
- The World Summit on Sustainable Development: An audit guide for SAIs (the United Kingdom)

The Secretariat provides information on a range of issues that need to be addressed across the papers. The Secretariat intends to adopt a standard corporate look for the papers and decide on some consistent styles and terminology.

Purpose of agenda item

To discuss and agree on details regarding common styles, logistics, schedule, formatting and related issues across the four papers.

Discussion and outcomes

The Chair (Mr. John Reed) outlined the schedule and process for final approval and production of the papers.

- After SC5, project leaders will have 13 weeks to prepare the final version of their paper
- Project leaders need to submit the next (almost final) versions of the papers—for discussion at SC6 in Fiji on 8 December 2006.
- After SC6, WGEA members will be asked to review and comment on the four papers by mail.

- After receiving comments from member SAIs, project leaders will need to submit final papers no later than 11 May 2007, so they can be presented at the WG11 meeting in Tanzania.

On behalf of the Secretariat, Ms. Vivien Lo handed out two documents representing comments from the Secretariat to the project leaders:

- guidance on format and graphics for the four projects with papers; and
- detailed handwritten comments from the Secretariat to the project leaders for respective papers on Cooperation between SAIs and on the World Summit on Sustainable Development.

The following points reflect the outcomes of agreements reached and the subsequent discussion.

Overall suggestions

- More illustrations on forestry, fisheries, and mining.
- If a case study is not available, a link to the relevant website could be supplied.
- The structure of the papers could allow for information to be added, as these tools are likely to evolve.
- Best practices could be further developed in all papers.

Translation

While it is not required, steering committee members are encouraged to volunteer (coordinated in their own regions) to translate WGEA documents—especially into Spanish and Arabic.

Consistency across the papers

Formatting

- Papers should share the same layout format for cover page design, table of contents, body text font, page numbering, and title font.
- If necessary, Editorial Services at OAG Canada are able to do one pass at formatting before SC6. Project leaders can continue to update their individual templates as long as they use the common fonts (for example, Arial Narrow).
- Bibliographies and footnotes are not mandatory, but if they are included, they should be in the common format.

Graphics

- PowerPoint is the accepted standard for creating all graphics and figures.
- Please keep all graphics in separate files.
- If possible, include a few pictures (no more than 25 for a 30 page paper) and the resolution quality for each picture should be 200-250 dpi.

Layout

All papers should include

- a foreword written by the Chair will reference all four papers;
- an executive summary; and,
- an introduction in the body of the text.

Terminology

- Use the term “International Environmental Agreement” to describe global, multilateral, or international conventions; agreements; and accords (include an explanation of the word “Agreement” under terminology).
- Use the correct name of the SAIs (for example, the Office of the Auditor General of Canada); add the country name (for example, “of Canada”) if it is not obvious in the title or

the sentence. One source to find proper names is the WGEA website <http://www.environmental-auditing.org/intosai/wgea.nsf/viewMemberList>

- When two or more SAIs are mentioned together, refer to them as SAIs of “country name” and “country name” (for example, the SAIs of Austria, Czech Republic and Chile conducted audits on biodiversity).
- Discrepancies will be fine-tuned at SC6.

Cross-references

- Project leaders need to review their papers and identify appropriate cross-references.

Review of papers by WGEA assembly after SC6

- The project leaders decided to limit the time to review of papers to four weeks.

Moving towards auditing biodiversity

Background

The purpose of this project is to provide guidance to SAIs that are conducting biodiversity audits. In December 2005, the SAI of Brazil sent a questionnaire to all WGEA members that had conducted environmental audits on biodiversity. More information on the development of the paper, including the project's progress report is available in the meeting material.

Purpose of agenda item

To consider and discuss steering committee comments on the first draft of the paper. Ms. Carolle Mathieu from the SAI of Canada and Ms. Elaine Ferreira Souza from the SAI of Brazil are the project leaders and presented an updated draft of the paper.

Discussion and outcomes

Ms. Ferreira Souza and Ms. Mathieu provided an update of the status of the biodiversity paper:

- Both SAIs incorporated material collected at WG10 in Moscow responses to the WGEA questionnaire in the paper.
- Canada wrote the introduction and chapters 1 (background information) and 2 (international conventions).
- Brazil focused on actual biodiversity audits and wrote chapters 3, 4, and 5.

Because little information on best practices was received, Chapter 5 regarding this issue was a challenge to write. In June, a first draft was sent to subcommittee members and four additional steering committee members. Their comments were incorporated in the next draft, which was circulated for SC5. The next step for Brazil and Canada will be to combine the two parts of the paper and add more biodiversity audit material in October.

Comments by steering committee members on the paper

The following reflects the discussions, including a summary of agreements and outcomes reached.

Layout

- The paper should be shorter. In particular, parts of the introduction and the section on international conventions could be moved to an appendix.
- The paper could be restructured around biodiversity topics or around auditable activities, with links to relevant conventions and other useful information sources, and biodiversity problems and issues should be sorted by category.
- The introduction and chapters 1 and 2 could be simplified to make biodiversity audits more appealing.
- More charts and figures, and a more detailed introduction to Table 1, should be added.
- When discussing biodiversity issues faced by a particular country, please provide examples.

- Appendix 4 should focus on techniques for auditing biodiversity.

Content

- The introduction should refer to the fact that governments spend a lot of money to protect biodiversity and to exploit resources.
- Connections between biodiversity threats in Chapter 1.3 (for example, effects of climate change on biodiversity) need to be further explained.
- The paper should address China's and India's growing involvement in biodiversity auditing.
- Audits from Iceland and Norway could be used as case studies in Chapter 5.
- The paper could explore new ways to protect biodiversity in habitats of interest (for example, fisheries and oceans).
- The section explaining why biodiversity should be audited should be expanded to include quantitative figures and the method being used to count species.

Case Studies

- The paper would benefit from more diversified case studies. Regions other than Europe could be represented. The link between the case studies and audit criteria could be clearer.
- The SAI of China mentioned that there was a workshop on biodiversity at the March 2005 ASOSAI meeting and that case studies are available.

Cross-references

- The Evolution and trends paper should refer to the Biodiversity paper.
- Appendix 4 could be expanded into a new paper on tools, resources, and related topics for the next work plan (It is currently too detailed and its scope is wider than biodiversity).
- Case studies should refer to important milestones (for example, the WSSD) and international conventions.

Other notes and suggestions

- The SAI of Czech Republic is currently conducting an audit on biodiversity.
- The SAI of Egypt indicated they would try to provide more case studies.
- The SAI of the Netherlands is tabling a new biodiversity audit report this month.
- The SAI of Zimbabwe could contact the SAI of South Africa to check on additional audits from AFROSAI.
- The SAI of Austria offered pictures.

Project leaders' information request

More examples of biodiversity audits from Africa, Asia, and the Arabic countries are still requested. Chapter 4 tries to incorporate audits from as many countries and regions as possible.

Summary of decisions and actions

- Appendix 4 will remain in the biodiversity paper for now, as it contains valuable material. However, if the steering committee decides, at SC6 in Fiji, that it will be expanded into a paper, it will be removed.
- If authors do not receive more examples of best practices, the information in Chapter 5 may be included in another chapter.
- The paper including the case studies around the world should be restructured around biodiversity issues or auditable activities, with links to relevant conventions and other useful information sources.
- Regional representatives will seek additional case studies from their region and the SAIs of Africa, Asia and the Arab countries will provide information on their biodiversity audits.

Cooperation between Supreme Audit Institutions on international audits: tips and examples

Background

The purpose of the project is for SAIs to share experiences of cooperating on audits (primarily environmental audits), particularly in preparing, conducting, and reporting audits. More information on the development of the paper, including the project's progress report, is available in the meeting material.

Purpose of agenda item

Consider and discuss steering committee comments on the first draft of the paper. The SAIs of the Netherlands and Poland (Ms. Ewa Borkowska-Domanska) are the project leaders and presented an updated draft of the paper.

Discussion and outcomes

Ms. Borkowska-Domanska provided the following update.

- The paper's outline was discussed at WG10 in Moscow.
- In November 2005, a questionnaire was sent to SAIs with cooperative audit experience, and 29 responses were received.
- In spring 2006, a draft was distributed to f the subcommittee; comments from the SAIs of Canada, Czech Republic, and Austria were incorporated; and another draft was produced.
- Starting in October, a final version will be drafted, and after the subcommittee is consulted, it should be ready in December.

Project leaders proposed the following questions for discussion:

1. How could the structure of the paper be improved?
2. Do examples adequately illustrate tips—that is, are case studies too general or too focused?
3. Could you comment on whether this guidance could be applied to coordinate audits between audit institutions operating within the same country?
4. Is there a need to re-visit the definitions of international audits in the terminology?

Comments by steering committee on the paper

The following discussion reflects the discussions, including a summary of agreements and outcomes reached.

Layout and structure

- The two parts of the paper should be consolidated. Because the current draft was written by two different SAIs, there is some overlap.
- Chapter 2 could be split into two sections:
 - the assessment of a possible cooperation (to decide whether the audit is feasible), and
 - the steps for how to reach an agreement once two parties decided to do a collaborative audit.
- The paper could list all necessary steps for planning a collaborative audit and include conclusions with table that summarizes all phases.

Case studies and examples

- Case studies should be further developed.
- Use descriptive titles rather than numbers for the case studies used to highlight the tips and examples.
- Most cases presented are from Europe. Please provide examples from other regions.
- Provide examples of real agreements between countries in an appendix.

- Indonesia is planning a cooperative audit with Singapore on the Malacca Strait.

Audits within the same country

- Some SAIs noted that most tips could be applied within their own country.
- Even though the paper could be useful for audit institutions doing collaborative audits in the same country, it is intended to help SAIs from different countries, and this should be reflected in its content and examples.

Definitions of cooperative and international audits

- The paper could discuss two models of cooperative audits: joint audits and parallel audits, the types of audits that are practicable. Even though coordinated audits are not the focus of this paper, definitions could remain the same to be consistent with previous papers.
- Not all parallel audits are on international agreements (for example, the waste audit in Africa). Reconsider the term “international audit” and rely on the definitions provided in previous papers on cooperative audits.

Content

- The introduction should emphasize the intent of the paper—that is, to make cooperation between SAIs possible and to have them collaborate in addressing global problems.
- The foreword should make the link with the earlier WGEA paper clear.
- Tips could be clearer (for example, tip no. 4 may not be clear to everyone).
- The paper should emphasize the importance of good communication.
- Chapter 2 could contain audit planning details (for example, checklists, interviews, and cost/benefit analysis).
- Chapter 3 could also contain checklists, and it could suggest using common interview questionnaires for participating countries.
- It is important to mention that because cooperative audits can be costly, they should be incorporated in annual or triennial plans.

Project leaders’ information request

- Steering committee members are asked to send more and better examples of the tips.
- Regional representatives for Africa and Latin America are asked send more examples of cooperative audits from their regions.

Summary of decisions and actions

- The definitions of cooperative audits will remain the same, but the paper will specify which ones are being discussed.
 - The paper should be consolidated and clear about all necessary steps for planning a collaborative audit, with emphasis on good communication.
 - The SAI of China will coordinate the collection of cooperative audit material from China and Korea’s cooperative audit on dust storms.
 - Regional SAIs will coordinate the collection of cooperative audit material in Africa and Latin America and real audit agreements between countries.
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Evolution and trends in environmental auditing

Background

The purpose of the project is to

- describe how SAIs' environmental audits affect the management and the protection of the environment;
- provide examples (including case studies) of how SAIs conduct environmental audits; and
- be an external marketing tool to promote SAIs environmental auditing practice.

Data used in the paper came from questionnaires, interviews, and WGEA meeting compendiums. More information on the development of the paper, including the project's progress report is available in the meeting material.

Purpose of agenda item

To consider and discuss steering committee comments on the first draft of the Evolution and trends paper. Ms. Vivien Lo from the SAI of Canada is the project leader and presented the first draft of the paper.

Discussion and outcomes

Ms. Lo thanked the steering committee members for their timely contributions. She used the three-month delay of SC5 to gather the comments and as this draft incorporates most of the comments, she doesn't anticipate that will require major structural changes over the next months.

Ms. Lo asked the participants the following questions:

1. What do you think of the four themes in Section 3?
2. To further formalize Section 4, where do you see environmental auditing going?
3. Do you have any suggestions for Section 5? The ten Frequently Asked Questions is currently the least developed section.

Comments by steering committee members on the paper

The following reflects the discussions, including a summary of agreements and outcomes reached.

Highlights

- The paper is balanced. However, it is important that the intent of the paper and its audience is made clearer.
- The paper presents a historical perspective on environmental governance and it is also future looking. The future looking section is less convincing and could be further developed while presenting challenges and obstacles in environmental auditing that need needs improvements. Combining these elements could be risky because the same document intends to reach very different audiences at the same time. It was challenging to comprehend the different pieces.
- Include more content on developing countries' perspective and their environmental audits. Some countries cannot deal with environmental capacity because of violence or lack of capacity. It may be worth recognizing that prosperity is required to clean up the environment and some countries have done a lot of capacity development.
- If possible, be clear about your sources and use a more systematic and quantitative approach to extract figures and make conclusions from the responses.
- Give constructive advice on what to do when a country's government does not do address the findings or follow the recommendations of an environmental audit.
- Expand on more complex audits.
- Cross-reference problems in studies and guidelines with relevant chapters and case studies.

- Mention that some countries invest more resources in cleaning the environment than they did 20 years ago.

Specific sections

- **Section 1**—expand on how mandates have changed over time (for example, the increase in performance and environmental auditing mandates), and mention that SAs do not need an environmental mandate.
- **Section 2**—include dates for international conventions, and include significant scientific discoveries (for example, the hole in the ozone layer) in the timelines so the reader knows how long it took for the international community to reach an international environmental agreement.
- **Section 3**—include the following:
 - solutions to unclear audit criteria and poor (or insufficient) environmental data;
 - show, over time, an environmental audit is useful;
 - how experience gained in local audits builds capacity for larger, parallel audits and other complex audits; and
 - an expanded discussion of cooperative audits.
- **Section 4**—include the following:
 - the importance of addressing climate change;
 - future trends in environmental auditing (sustainability reporting, the growing gap between commitment and action, what auditors do in areas of minimal mandate);
 - when discussing SAs on the political stage (governance), suggest SAs are more backstage as we do not define or create policy.
- **Section 5**—for frequently asked questions (FAQs):
 - Move all FAQs to the back of the document in an appendix
 - Format them to look like an official document.
 - Change the title to something more meaningful (for example, “Practical guidance to practitioners”).
 - Try to cross-reference with tips in other papers.
 - Determine whether they address situations that lack clear audit criteria, measurability, or data.

Additional information for the paper

- The SA of Poland has a list of past audits performed in the 1980s that would need translation.
- We should check to see if we can link to INTOSAI’s working group on performance auditing and financial auditing.

Project leader’s information request

- If you have experience with environmental auditing, please summarize your first environmental audits, as they may not be available on the Internet.
- Please provide the following:
 - examples of environmental audits that deal with higher level issues or abstract subjects (for example, strategic environmental assessments);
 - suggestions for photos and graphics; and
 - more information from Africa.

Summary of decisions and actions

- The Steering Committee will coordinate the collection of additional environmental audit abstracts, especially old ones not available on the Internet, and examples of audits that deal with higher-level or strategic environmental issues, in their regions.

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- The FAQ's in Section5 will be moved to the Appendix
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The World Summit on Sustainable Development: An audit guide for Supreme Audit Institutions

Background

The purpose of the project is to

- review progress toward WSSD commitments,
- determine whether SAIs have conducted or are planning to conduct audits of their countries' progress, and
- share experiences so that others may learn how to conduct similar audits.

More information on the development of the paper, including the project's progress report, is available in the meeting material.

Purpose of agenda item

Consider and discuss steering committee comments on the first draft of the Reviewing the implementation of World Summit on Sustainable Development (WSSD) commitments paper. Mrs. Laura Lane and Mr. Joe Cavanagh from the SAI of the United Kingdom are the project leaders and presented the first draft of the paper.

Discussion and outcomes

Mrs. Lane asked whether the guide would benefit from having more case studies and whether anyone would be able to contribute case studies. She noted that most case studies do not explicitly mention the WSSD, but address it in substance.

Comments by steering committee members on the paper

The following reflects the discussions, including a summary of agreements and outcomes reached.

Usefulness of audit guide

- Several members of the steering committee have used the draft paper for advice and found it very practical and helpful.
- Expanding the introduction on sustainable development would be useful for people who are not familiar with the topic.
- The guidelines lack clarity:
 - implementation steps should be easier to trace, and
 - the WSSD should be linked to improving health and reducing poverty.
- The paper should include
 - a section that helps the global community produce agreements and other auditable commitments;
 - guidance on when and how to use experts to get advice, to audit evidence, and to be part of audit teams; and
 - more detailed explanations of terms (for example, "poverty eradication").
- The text on page 27 should contain hyperlinks to audit examples and case studies

Case studies

- The paper should include more case studies with more information, such as the date and location to illustrate processes and help track source documents in the future.
- The SAI of China offered case studies on agriculture.

Other notes and suggestions

- Cross-reference WSSD biodiversity targets. Ms. Mathieu (the SAI of Canada) explained that the Convention on biodiversity, which is legally binding, contains the same commitments as the WSSD, which were not mandatory, and she offered to investigate possible cross-references between the two.
- SAIs concluded WSSD audits should be put in the paper on evolution and trends on environmental auditing.
- The SAI of Austria will send a short version of an audit on sustainable development by the end of September to the SAI of UK. A report was issued a few days ago on WSSD, which has an impact on eleven ministries.
- The SAI of Zimbabwe provided a case study on auditing water supply.
- The SAI of the USA found the guide useful for auditing Millennium development goals objectives and sustainability and effectiveness of development aid.
- The SAI of New Zealand will share a case study on collaborative work with the Parliamentary Commissioner for the Environment on WSSD.
- The SAI of Egypt is willing to share two papers on water issues and four papers on waste issues.

Summary of decisions and actions

- The SAI of the USA will provide relevant material on the use of experts.
 - The SAI of Canada will cross-reference WSSD and other biodiversity commitments.
 - The SAI of China will provide case studies related to agriculture.
 - The steering committee can provide additional case studies and papers.
-

Update sustainable development initiatives

The Associate Chair of the WGEA (Ms. Johanne Gélinas) presented the update.

There is a direct connection between the WSSD and national sustainable development strategies that individual countries are developing. In addition, many initiatives, especially in Europe, that address this issue are underway. In the last two months, Ms. Gélinas has attended two major events with outcomes that have an impact on national strategies for sustainable development (NSSD).

- Workshop on Institutionalising Sustainable Development (31 Aug-1 Sept 2006). This event was held in Stockholm and organized by Canada, Sweden, and the OECD. Its purpose was to get an update on what is going on in OECD countries and selected developing countries towards the implementation of NSSDs. Participants discussed best practices, successes, barriers, and lessons learned over the last five years. More information is available at <http://www.oecd.org/dataoecd/25/59/37427084.pdf>
- "Sustainable Development goes Mozart" - European Sustainable Development Network (ESDN) Conference at Salzburg (1-2 June 2006). This event was an update of activities among the leaders of sustainable development in Europe. The European Union produced a useful document that provides guidance on conducting peer reviews of NSSDs. Steering Committee members can consult this document to avoid reinventing the wheel when conducting similar evaluations. ESDN has an excellent website constantly being updated with the latest SD initiatives and achievements. One example related to the European Union's first SDS released in 2001: each country will have to report on its implementation in 2007. Steering Committee members are invited to be part of the associated review process. More information is available at: <http://www.sd-network.eu/>

Update on other Projects

Expand tools to keep water and waste alive

Background

At WG9 in Brasilia, members agreed to continue developing web tools to keep 2002-04 topics of waste and water alive during the 2005–07 WGEA work plan. More information on this project, including a progress report, is available in the meeting material.

Purpose of agenda item

To present the prototype of the waste and water web pages and request comments from steering committee members. Mrs. Sissel Iversen from the SAI of Norway and Mrs. Arien Brees-Booij from the SAI of Netherlands are the project leaders and presented website “Focus on Waste” (Norway) and “Focus on Water” (the Netherlands).

Discussion and outcomes

The live prototypes of the waste and water web pages will be updated twice a year (in May and October). Some seminars and workshops still require the SAI’s approval before they can be posted on the water web page. After the presentation of the websites, there was a roundtable discussion to gather more suggestions for improvements.

Comments from steering committee members on the project

The following reflects the discussions, including a summary of agreements and outcomes reached.

- Generally, participants found the website comprehensive and useful, and felt that those web pages should be regularly updated.
- Participants also felt that the web pages could include
 - more case studies, as they become available;
 - key research and articles on water and waste;
 - documents on audit methodology;
 - advice on the abilities that auditors should possess or develop;
 - some content from the papers; and,
 - pictures.
- Participants were invited to access waste and water audits already available on the website.

Fifth survey on environmental auditing

Background

Every three years, the WGEA prepares and sends a survey on environmental auditing to INTOSAI members. The results of which have been instrumental in developing WGEA work plans. More information on the fifth survey, including the project’s progress report is available in the meeting material.

Purpose of agenda item

Present the results from the Fifth survey on environmental auditing and ask for additional information. Ms. Carolle Mathieu from the SAI of Canada is the project leader and presented an update of work achieved and lessons learned.

Discussion and outcomes

Ms. Mathieu gave a brief update on the fifth survey’s status and explained that while survey is a key tool to assess what was recently achieved by SAIs in environmental auditing, it is also very useful tool to support SAIs that are currently conducting such audits. For the fifth survey, the section on policy was removed and the content was divided into the following seven themes:

- auditing mandates,
- environmental audits,
- environmental auditing capacity,
- planned environmental audits,
- Internet capacity,
- international accords and cooperation between SAIs; and,
- WGEA and INTOSAI products.

This year SAIs were able to respond to questionnaire via the Internet, an innovative method that worked for all languages except Arabic (for technical reasons). Ms. Mathieu noted that some documents (for example, environmental audit reports and contacts) had to be collected by email or mail.

- To date, 95 SAIs have responded and 13 more will provide their response in September, for a total of 108 responses—114 SAIs responded to the previous survey in 2003.
- The results will be analyzed, and in October and November, a draft report will be prepared and finalized in time for SC6 in Fiji.

Comments and suggestions from steering committee members

The following reflects the discussions, including a summary of agreements and outcomes reached.

- Some SAIs did not use the Internet link because they feared that it would not be active beyond the submission deadline.
- Some SAIs did not use the electronic survey because a number of people collected the information, and it was not convenient to respond via the Internet.
- Reminders could be sent individually, instead of in a mass mailing as this is more personal.
- Ms. Mathieu thanked the SAI of Fiji for submitting their completed survey questionnaire first.

Implementation of the WGEA communication plan

Purpose of agenda item

To present the latest issue of *Greenlines* and invite discussion on other communication tools that the WGEA could use. More information on the communication plan, including the project's progress report is available in the meeting material. Mr. Steven Elstein from the SAI of the United States is the project leader and presented the work achieved to revamp and produce the *Greenlines*.

Discussion and outcomes

Mr. Elstein summarized the achievements in 2005:

- The SAI of the US produced
 - a tri-fold brochure intended for a broad audience that conveys what the WGEA is and how it could serve the needs of the international audit community; and,
 - two issues of the *Greenlines* in a new format that includes WGEA business information, a feature story from a SAI, and SAI updates.
- The SAI of Canada provided WGEA administration information.
- 12 SAIs sent material for the last *Greenlines* issue, which shows considerable interest from the INTOSAI community.

The next edition of the new *Greenlines* should be released in October 2006—there is already a feature story from Ukraine and SAIs are invited to submit news briefs. SAIs are also invited to submit a feature story for the Spring 2007 issue.

Participants were invited to comment on the *Greenlines* and suggest other possible communication products or activities.

Suggestions from steering committee members

It was suggested that *Greenlines* should be also sent to people outside the SAI community and the following suggestions were made for accomplishing this goal:

- Regional coordinators were asked to identify organizations that might be interested and send their distribution list to Steven Elstein.
- The regional coordinators for Brazil (OLACEFS), Poland (EUROSAI), China (ASOSAI), and New Zealand (SPASAI) volunteered to maintain and update the expanded mailing list—by contacting organizations and collecting coordinates (it was suggested that the representative from Zimbabwe could follow-up with South Africa, the regional coordinator for AFROSAI).
- Non-members could subscribe to Greenlines on the website.
- In the next issue, SAIs could be asked to forward Greenlines to parties that may be interested in subscribing—for example, ministers of the environment, university departments, parliamentary committees, lobby groups, and NGOs.

Summary of decisions and actions

- All SAIs are invited to contribute a feature story for the spring issue.
- Regional coordinators to produce an expanded mailing list and send it to Mr. Elstein.
- Sylvie McDonald (SAI of Canada) will ask the IT services at OAG Canada for a notification list.

Fourth Global Environmental Outlook (GEO-4)

Background

In May 2006, UNEP's Division of Early Warning and Assessment asked the WGEA to review the first draft of the GEO-4. Although 10 chapters were ready to be reviewed, the Secretariat decided that we should focus our efforts on Chapter 10, Options of Action. The SAI of Canada reviewed this chapter in May 2006 and prepared a letter of comments to be sent to the UNEP. The steering committee was asked to review and approve this letter and to provide additional comments. More information, including the draft version of Chapter 10 of GEO-4 and the letter prepared by the SAI of Canada is available in the meeting material.

Purpose of agenda item

To discuss the first draft of the fourth Global Environmental Outlook (GEO-4) and the WGEA Secretariat's proposed comments to the United Nations Environmental Programme (UNEP)

Discussion and outcomes

The Chair (Mr. John Reed) invited participants to comment on the draft letter through a roundtable.

Suggestions

- Add text from steering committee members that strengthens SAIs function; noting in particular
 - independence,
 - access to information,
 - reporting, and
 - a range of evaluation methods.
- key papers of the WGEA that describe the role of SAIs in environmental auditing (for example, selected titles of WGEA papers could appear on pages 7 to 9); and

- The letter should highlight what SAIs can do and the role of the WGEA. According to the UN's definition of good governance, SAIs could play a role in ensuring their government's accountability, responsiveness, and effectiveness. SAIs link to policy and implementation through their responsibilities to conduct audits.

Regional progress reports and future work plans

Purpose of agenda item

Regional Working Group on Environmental Auditing (RWGEA) coordinators gave short presentations on activities underway at the regional level and provide regional work plans.

Discussion and outcomes

ACAG/SPASAI

The update was given by the SAI of New Zealand (Mr. Jonathan Keate):

- The third meeting of the ACAG/SPASAI RWGEA was held in Sydney, Australia in April 2005, and was attended by representatives from
 - 12 regional audit offices,
 - New Zealand's Office of the Parliamentary Commissioner for Environment, and
 - the Australian Capital Territory Office of Sustainability.
- The meeting included
 - two training workshops on auditing water issues and auditing air quality; and
 - a discussion of the ACAG/SPASAI work plan for the next 18 months, which includes raising the profile of environmental audits, "green housekeeping" in offices, sharing information on environmental auditing in SPASAI bulletins, and customized training
- The next regional meeting will be held in October 2006, and Mr. Keate offered to mention all the 2005-07 INTOSAI WGEA project papers to SPASAI members. This could provide additional opportunity for comment on the full papers.
- The organization is growing slowly, as new members join SPASAI.
- A new item on the SPASAI agenda is to consider the capacity of SAIs in the region to conduct public sector auditing. The Pacific Islands Forum has endorsed a Pacific Regional Audit Initiative (PRAI), which is intended to strengthen Pacific public sector auditing. The Asian Development Bank is working with SPASAI members and other development organizations to design the initiative, which will include diagnostic studies of each SPASAI member including their environmental auditing capability.

The regional report is available in the meeting material.

ARABOSAI

The update was given by the SAI of Egypt (Ms. Samia Labib):

- The Regional Sub-Committee of the ARABOSAI Environmental Auditing Affairs was established in March 1999.
- So far, the committee has held five meetings; the latest meeting took place in Tunisia in June 2006.
- The committee's key achievements are
 - managing the distribution and analysis of two questionnaires to build a knowledge of environmental auditing at the regional level,
 - writing research papers on SAI's experiences in environmental auditing, and
 - launching a homepage on the ARABOSAI website.
- To date, all of the papers were posted on individual SAI's websites, but the committee plans to discuss them in Algeria in June 2007.

- The committee plans to organize a long-term training program in environmental auditing (and is currently discussing a collaboration with IDI that includes
 - environmental education,
 - environmental auditing, and
 - the role of SAIs in environmental auditing (using IDI existing training material).
- The committee's 2006–07 work plan includes producing four papers on
 - environmental impacts,
 - evaluation of performance,
 - waste, and
 - sustainable development.
- A third survey questionnaire will also be sent to SAIs, and the website will be updated.

A paper copy of the regional report was distributed during the meeting and is available in the post meeting material.

The Chair (Mr. John Reed)

- invited the SAI of Egypt to share documents on best practices and lessons learned with the rest of the WGEA (when the documents are available in English), and the SAI of Egypt offered to contribute environmental audits on water and waste; and
- requested that the next RWGEA meeting of ARABOSAI not overlap with WG11, which is scheduled for the week beginning 25 June 2007.

ASOSAI

The update was given by the SAI of China (Mr. Zhai Aicai):

- The SAI of China (CNAO)
 - contributed to the WGEA project on auditing biodiversity and prospects of environmental auditing;
 - developed a regional website the ASOSAI, in 2005, in Chinese and English; and
 - in keeping with ASOSAI's promotion of joint audits between SAIs, undertook a joint audit on sand storm prevention with the SAI of Korea in June 2006.
- The ASOSAI is currently developing its next work plan; an ASOSAI meeting will be scheduled when the work plan is complete.

The regional report is available in the meeting material.

The Chair (Mr. John Reed) requested that future reports include an update of members activities in their region and to indicate when the next regional meeting will take place.

AFROSAI

As the regional co-coordinator of AFROSAI, the SAI of South Africa, was not in attendance, AFROSAI did not present a report. However, Mrs. Mildred Chiri (SAI of Zimbabwe) presented some highlights of region's activities.

- AFROSAI-E met in May 2006, and while environmental auditing was mentioned, the focus of the meeting was performance auditing.
- AFROSAI members have difficulty communicating because there are four main languages used among different African countries, English, Portuguese, French and Arabic.
- The SAI of Cameroon mentioned that a compendium of environmental auditing initiatives, undertaken in French speaking African countries, would be available at SC6 in Fiji.
- South Africa recently conducted an audit on waste.

- Zimbabwe, South Africa, and Mozambique have agreed to develop a grand frontier park in time for the 2010 World Cup in South Africa. This could be a potential collaborative audit in the future.

EUROSAI

The update was given by the SAI of Poland (Mr. Zbigniew Wesowlowski)

- **Membership updates.** The EUROSAI WGEA currently has 37 members; Azerbaijan, Luxembourg, and Finland joined the Group in 2006.
- The Supreme Chamber of Control of Poland, which has been the working group's coordinator since 1999, is looking for a SAI to take over in time for the EUROSAI Congress in 2008.
- **Recent and upcoming audit activities.** In connection with its 2005–07 strategy, the EUROSAI WGEA has been promoting audits on biodiversity, nature protection and sustainable development issues. In 2006,
 - five parallel environmental audits were completed in Europe on flood and forest protection, national parks, and hazardous wastes,
 - and another five new environmental parallel audits were initiated on Bug River protection, NATURA 2000, the Barents Sea, the Caspian Sea, and the Chernobyl Nuclear Power Plant disaster.
- **Training and sharing of experiences.** The EUROSAI WGEA also holds annual environmental seminars, the main objective of which is to exchange audit experience and raise awareness on significant environmental issues in Europe. The latest seminar was
 - held in Vienna in September 2005;
 - attended by 27 European SAIs and the SAIs of Canada, China, and Brazil; and
 - focussed on auditing waste management, air pollution, and renewable energy sources.
- The next European seminar on environmental auditing will take place in Luxembourg in November. So far, 31 European SAIs have registered for the event and the SAI of Canada was invited again. The seminar will focus on
 - NATURA 2000 and European biodiversity,
 - flood protection, and
 - lessons learned in environmental auditing.

More details on the meeting and on the audits are available in the regional report in the meeting material.

The Chair (Mr. John Reed) commented that this was a region with extensive environmental auditing activity.

OLACEFS

The update was given by the SAI of Brazil (Ms. Elaine Ferreira Souza).

- COMTEMA (OLACEFS Committee on Environmental Auditing) was created in November 1998 and comprises the SAIs of Argentina, Brazil, Chile, Colombia, Honduras, Paraguay, Peru and Venezuela; and Brazil (the current coordinator).
- The majority of the activities of the 2002–05 work plan were carried out successfully, especially in the qualification of auditors to conduct environmental audits:
 - 190 auditors were trained to carry out environmental audits, and
 - 8 of the 15 SAIs conducted 47 environmental audits.
- The fifth meeting of the COMTEMA took place in Chile in April 2006, and members approved the Internal Regulation of the Commission and the Guidelines of the 2006-2008 Work Plan:
 - The SAI of Brazil will again offer the IDI training course on environmental auditing and will invite Portuguese speaking African SAIs.

- The SAIs of Brazil and Colombia agreed to carry out a joint environmental audit on the Amazon region.
 - The SAIs of Colombia and Peru began discussions of a joint environmental audit to evaluate the environmental conditions of the river Putumayo.
 - The SAI of Brazil will continue to chair the COMTEMA over the next work plan period.
- The regional report is available in the meeting material.

Transition to new WGEA chair

Purpose of agenda item

The purpose of this session was to inform steering committee members of the appointment of the next Chair of the WGEA and to get their endorsement of the same.

Discussion and outcomes

Introduction by the Chair of the WGEA (Ms. Johanne G elinas)

The Chair welcomed the Auditor General of Estonia, Mr. Mihkel Oviir. After a few years of exciting and rewarding work, the time has come for the SAI of Canada to pass on this responsibility to another SAI. The Chair announced that Estonia kindly offered its candidacy and that Canada accepted. The SAI of Canada will continue to chair the WGEA until the next INCOSAI meeting in Mexico, November 2007.

Address by Mr. Mihkel Oviir, Auditor General of Estonia

Mr. Oviir briefly introduced his country to steering committee members by

- highlighting the importance of forests and other environmental features of Estonia;
- noting that Estonia is currently one of the most open economies in the world;
- informing the steering committee that the SAI of Estonia has support from the SAIs of Poland, Finland, Sweden, and Norway to share knowledge, build capacity, and assure a smooth transition by November 2007; and
- introducing Mr. Tonis Saar who will act as the new Chairperson.

Address by Mr. Tonis Saar, Director, Office of the Auditor General of Estonia

Mr. Saar explained that he is excited and very motivated to undertake his chair responsibilities. He briefly introduced the mandate and structure of the Office of the Auditor General of Estonia. He pointed out that even though they have not yet conducted many environmental audits, they intend to become leaders in this field and are determined to demonstrate their ability to lead as they chair the WGEA for the next term.

- The SAI of Estonia currently employs 70 auditors, including five environmental auditors, and regularly hires experts to advise their audits. In addition, it is committed to sustainable development; one of its current initiatives is to convert the Office to paperless operations.
- Given the small size of Estonia and their SAI, the financial resources that are expected to deliver its chair INTOSAI WGEA responsibilities are quite significant. As candidate chair, the SAI is in position to offer motivation and commitment. It has already developed its corporate services to deliver its new mandate.
- The SAI of Estonia
 - has been cooperating closely with the SAIs of the Baltic region and Northern European countries and with new European Union member states,
 - has been participating in various committees and working groups, and
 - was a member of the EUROSAI Governing Board from 1996 to 2002.
- Mr. Saar thanked the SAI of Canada for their support and noted that the Office of Auditor General of Estonia has the full support of the Department of the Environment and the government of Estonia. He then asked the steering committee for its support in this new challenge.

- A video of Estonia was presented that emphasized its young and educated population and their determination to build an economically competitive country balances a position on the leading edge of technology with environmental protection and quality of life.

Questions and discussions

The Chair (Mr. John Reed) noted that the SAI of Canada recently visited facilities and staff in Estonia and found highly qualified people. However, he pointed out a need for capacity building over the next year. Mr. Saar added that his organization would soon dedicate three employees to the transition process. Next, the Chair invited participants to ask questions to the SAI of Estonia.

Steering Committee members were given the opportunity to ask questions to the SAI of Estonia regarding their candidacy and their capacity to become chair of the WGEA. The following summarizes the discussions from the SAI of Estonia:

- **Question:** Please elaborate on the commitment of the SAI of Estonia to the Ministry of the Environment in Estonia.
- **Discussion:** It is important to the Ministry of the Environment to support the SAI of Estonia's candidacy. Internationally Estonia appears unified on environment, including the INTOSAI WGEA Chair. For this reason, they are proud of the candidacy of the National Audit Office, and they would be willing to contribute people and resources to the WGEA.
- **Question:**
 - How does the candidacy of the National Audit Office of Estonia fits within its strategic plan to become more outward looking by 2010.
 - As the lead of the WGEA, does the SAI of Estonia have thoughts as to what direction WGEA should go?
 - Who would operate as chairperson?
- **Discussion:** The National Audit Office of Estonia has been collecting information and knowledge from other SAIs for more than 15 years, and they feel that it is the time to return the favour and contribute to the SAI community. They would like to
 - focus on energy and climate change, environmental evaluation, and audit criteria;
 - ensure that SAIs are ready to implement the 4th E and incorporate environment in their audits; and
 - ensure the continuity of the WGEA's achievements, by proposing a superstructure to maintain papers, and keep other projects alive (for example, provide more audits to illustrate papers and update papers as more audit cases become available).
- **Question:** Please explain the SAI's credentials in terms of environmental audits and best practices.
- **Discussion:** The SAI of Estonia has been using experts on environmental audits, to develop audit criteria and to advise the planning phase. It is a challenge to find independent experts in Estonia, as it is a small country where everybody knows each other. For this reason, inputs from experts are always evaluated to determine whether to use those inputs as a driver for the audit, or as a source of evidence. So far, comments from experts have been used as a source of evidence only.
- **Question:** Please describe the SAI's environmental auditing capacity.
- **Discussion:** The SAI of Estonia explained that they do not have the same level of environmental and international expertise as the SAI of Canada. Members of the steering committee suggested that if the chair SAI does not have to have all expertise, they will have to cooperate with other SAIs.
- **Question:** How "green" is the SAI of Estonia?
- **Discussion:** The SAI of Estonia has a keen interest in environment and its likely chairperson (Mr. Saar) indicated that environment is an important topic to him.
- **Question:** Does the SAI of Estonia have a sustainable development strategy?

- **Discussion:** No, but the staff is committed to sustainable development, and the Office will eventually have to develop a formal sustainable development strategy.
- **Question:** Does the SAI of Estonia have a mission statement that specifies the importance of the environment and good governance?
- **Discussion:** Environment is not treated separately in the National Audit Office's strategy. Similarly, every audit undertaken by the office should contribute to good governance in Estonia. Historically, the office started its operations in 1991 and went through a re-engineering of its methodology in 1998. In 2002, a new mindset was introduced to build upon the new methodology and focus audits on adding value to the government.
- **Question:** What motivates the SAI of Estonia to coordinate environmental auditing at the international level rather than using its leadership at the regional level?
- **Discussion:** The SAI of Estonia is located near the Baltic Sea, and is it a window to Russia and the rest of Europe. They have been thinking about increasing their role for a while, and they see this as a good opportunity to demonstrate their leadership and increase the visibility and reputation of Estonia of the international stage.

The Chair (John Reed) wrapped the session up by indicating the SAI of Canada had the advantage of being very experienced in environmental auditing and having a staff that was dedicated to the environment and specialized in environmental auditing. However, he emphasized that the role of chair requires managerial expertise, and that the SAI of Estonia has a variety of competencies and that it is surrounded by countries with diverse expertise that have pledged to support the SAI of Estonia.

Round-table session among steering committee members

Representatives from the SAI of Estonia were asked to leave the room to allow the steering committee to discuss the transition and express any concerns about the chair—this discussion was not recorded. Several steering committee members were surprised and still absorbing the decision for the new chair of the INTOSAI WGEA. Concerns were raised that the decision was made unilaterally, but would affect all steering committee members. Afterwards, the representatives from the SAI of Estonia re-entered the room and the steering committee gave Estonia their full and unanimous support.

Upcoming Meetings

Eleventh meeting in Moscow (WG11)

Purpose of agenda item

The purpose of this item was to plan the WG11 in Tanzania.

Discussion and outcomes

The Chair mentioned that Qatar offered to hold WG11 but Tanzania was chosen because they were the first to express an interest in hosting. Qatar could be the host for WG12. The WG11 meeting will take place in Tanzania the week beginning 25 June 2007. This gives less than 9 months to prepare for it. Steering committee members were asked the following questions and invited to make suggestions:

- What would you do again?
- What would you do differently, or what would you add?
- What themes should be discussed during the workshops?
- Who could be guest speakers?
- Do the regional coordinators want to meet with SAIs in their region?

Roundtable discussion among steering committee members

The following reflects a summary of the roundtable discussion.

Themes and topics

- Instead of introducing new topics, discuss in greater depth those that have already been suggested. Assess material that the WGEA has already produced to see if it can be used

and suggest possible improvements. One possibility is to make existing IDI training more accessible.

- Consider climate change as a theme, possibly divided into sub-themes:
 - energy (for example, the use of alternative fuels);
 - transport;
 - monitoring; and
 - the UN framework.
- Include a workshop on biodiversity related topics (for example, how to use the biodiversity paper).
- Consider a session on sustainable development policies in various countries. For example, the meeting is taking place in Africa. There is one country in Africa that forbids plastic bags, an example of applying sustainable development that could be discussed. Other possible themes could be
 - desertification,
 - forestry, and
 - environmental audits in developing countries.
- Perhaps two themes would suffice: one for beginners and one for the more advanced auditors.
- Have workshops on water and waste to keep these two topics alive.
- Assess the need for future products and discuss 2008–10 WGEA activities.
- Consider the new theme of challenges in developing countries.
- Invite experts to the meeting (as was done in Moscow): possibly a representative from the United Nation Commission on Sustainable Development (UN CSD) or the Commissioner of the Environment of New Zealand.
- Discuss IDI training on environmental auditing and incorporate a discussion of ways to involve experts in audits.

Format and logistics

- Have fewer topic areas
- During workshop sessions, make sure that there is enough time for presentations and discussions.
- Consider having parallel sessions.
- Consider the host country's expectations and resources. The WGEA has grown from about 12 to 50 participating SAIs, which creates a burden for the host country, and perhaps participants should bear some of the costs.
- Avoid holding the meeting over the weekend.

Communication

- At WG10 in Moscow, the sub-group outcomes for each workshop theme were collected and put in the minutes. At WG11, it would be nice to have the sub-group outcomes available on the website as well as in the minutes.
- Before the workshops, participants should be given supporting material, background information on each issue, and questions.
- The Secretariat will send to steering committee members a draft agenda of the WG11 Agenda before it is sent to the WGEA Assembly.

Next meeting—Sixth steering committee meeting (SC6)

Purpose of agenda item

Discuss and plan the upcoming sixth steering committee meeting (SC6) to be held February 2006 in Fiji.

Discussion and outcomes

The Chair (Mr. John Reed) gave some direction for SC members in preparation of SC6:

- **WGEA papers.** The final draft of each of the four papers will be discussed, for final approval and each member is responsible for reading the papers and identifying issues.
- **Work plan.** The SAI of Estonia will lead the approval process for the next work plan. At WG11 in Tanzania, project leaders will have to be identified, so members of the steering committee will need to prepare a list of the potential volunteers in their jurisdiction.

The SAI of Ethiopia originally offered to host the SC6 meeting, but because of difficult circumstances including security concerns, the Secretariat sought an alternative venue and host. Mrs. Senait Mesele Ejigu from the SAI of Ethiopia expressed her regret to the steering committee and her hope that the SAI of Ethiopia would have another opportunity to host a WGEA event.

SAI presentations on an audit, a new environment, or a sustainable development initiative

The 4th E (Environment) (Canada, Mr. Rick Smith)

In 1995, the Parliament of Canada gave the Office of the Auditor General (OAG) of Canada a strong mandate to audit environmental and sustainable development issues by amending the *Auditor General Act* to create the position of Commissioner of the Environment and Sustainable Development. The Commissioner is supported by a group of environmental specialists and, on behalf of the Auditor General, produces an annual report on the environment and sustainable development that is tabled in Parliament.

As with many audit offices, OAG Canada's audits had focused on the three Es: economy, efficiency, and effectiveness. Since the Act was amended, OAG Canada has a duty to report on the environment, which is often referred to as the fourth E. OAG Canada is now required to report significant instances of money being spent without due regard for environmental effects and sustainable development. This new requirement triggered the need to engage and support audit teams across OAG Canada. The "4th E Practice Guide" was developed for auditors who do not work with the environment team. The Guide

- helps auditors, with little or no environmental expertise, systematically consider these risks in their work; and
- contains screening tools, checklists, and other resources to help auditors identify and evaluate environmental risks.

In 2004, a full time position was created to promote the use of the practice guide, train staff, and sensitize auditors to environmental and sustainable development issues. With systematic consideration environmental and sustainable issues by all auditors, the OAG of Canada hopes too see improved audit coverage of these issues for the benefit of Parliament.

Sustainability mandate and MBA program (Austria, Mr. Heinrich Lang)

Two new initiatives were announced. The Austrian Court of Audit recently amended its mission statement and strategy, which now contain Sustainable Development as a major issue of the SAI. The organisation was changed and contains now a "Sustainability Cluster", which includes audit departments for strategic planning and controlling, social affairs, health care, hospitals, energy, spatial planning and comprehensive environmental protection. The next step shall be to promote the concept of sustainability among staff.

As well, the Masters of Business Administration program (MBA) specialized in public auditing was created in collaboration with the Austrian Court of Audit. The program is offered in cooperation with the Executive Academy of the Vienna University of Economics and Business Administration. Graduates receive an MBA degree with specialization in auditing.

Support to Parliamentary Committees (United Kingdom, Mr. Joe Cavanagh)

The National Audit Office (NAO), in the United Kingdom, directs most of its work to the Public Accounts Committee. In recent years, however, the Office has begun to support the Environmental Audit Committee in Parliament, as part of a policy of extending support to other committees in Parliament. The Environmental Audit Committee was established in 1997 as a cross-departmental entity that focuses on environment, greening government, and sustainable development.

Contributions of the NAO to the Environmental Audit Committee in the last two years include

- two reports on greening government operations;
- a report on how the UK is implementing commitments from the World Summit on Sustainable Development;
- a report on sustainable procurement in government;
- a review of sustainability reporting in central government departments;
- advice and briefing on climate change policy, providing options for scrutiny (further described in the following presentation by Mrs. Laura Lane); and
- a report on how sustainable development is reflected in a key policy making process known as regulatory impact assessments.

Current work in support of the Environmental Audit Committee includes: two reports on climate change (emissions projections and cost effectiveness), energy on the government estate, and sustainable buildings in government.

The Office's relationship with the Committee represents a departure for the NAO: the Committee operates in a different way from PAC, and receives a wider variety of outputs; and the NAO is not normally the only source of support and evidence to the Committee. Conventional audit approaches and thinking need to be tailored to this different environment.

Climate change policy (United Kingdom, Mrs. Laura Lane)

Mrs. Lane presented the paper Climate Change Policy: Options for Scrutiny. The purpose of the paper was to inform the Environmental Audit Committee on important climate change issues in United Kingdom, and it contains a summary and the following four main sections:

- introduction and context,
- trends and progress,
- sectoral impacts and policy measures, and
- options for inquiries.

Mrs. Lane also presented

- statistics on the United Kingdom's progress against climate change targets and greenhouse gas trends;
- a map of policy instruments to address climate change, along with cost effectiveness figures for each sector, which indicates how well the policies work; and
- options for future enquiries including
 - Targets and progress;
 - Forecasting of emissions;
 - Key policy instruments: Climate Change Levy and Climate Change Agreements;
 - Governance and co-ordination; and
 - Cost effectiveness.

Sustainable Development and environment update (New Zealand, Mr. Jonathan Keate)

At the national government level

The Office of the Controller and Auditor-General of New Zealand is currently undertaking its first sustainable development performance audit. This audit is timely, as the government of New Zealand is currently implementing a program of action for sustainable development, which includes provisions for planning, monitoring, reporting and evaluation.

Meanwhile, the Parliamentary Commissioner for the Environment is undertaking a review of progress made with sustainable development in New Zealand since the World Summit on Sustainable Development (WSSD) in 2002.

At the local government level

Some 85 organizations, including regional councils, share responsibilities for the delivery of environmental and sustainable development initiatives.

In this context, new legislation has been put in place to promote economic, environmental, social, and cultural well-being in each district. Unlike conventional prescriptive legislation, this new act promotes a principles-based approach.

The act requires each local authorities to:

- prepare a long-term plan that describes its contribution and activities, and its desired outcomes and spending information;
- update the plan every three years; and
- present this information in an annual report on environmental impacts and progress achieved towards the desired outcomes.

To ensure accountability, the new act requires that the Office of the Controller and Auditor-General audit each local authority's long-term plan every three years. The audit involves a two step process – auditing the draft plan (prior to consultation with the public) and the final version of the plan (after consultation but before adoption).

The first round of such audits was recently completed and resulted in 170 audit opinions covering issues such as legislative compliance, the quality of underlying information and the performance reporting framework.

One of the main findings of these audits was that many authorities struggle to demonstrate results because they don't have a performance measurement framework in place. One of the objectives of the first round of audits was to suggest improvements for the next round of long-term plans.

Climate change

Global emissions are a high profile issue for New Zealand even though it is a small contributor. To date, the government has struggled to get traction for climate change policies, for example, it proposed a carbon tax, but it did not get the necessary support and the tax was abandoned. The government is currently reviewing climate change policies.

The Office of the Controller and Auditor-General

- audits the estimated liability for New Zealand to meet the cost of the Kyoto Protocol in the first commitment period (2008-2012) in government financial statements; and
- intends to conduct climate change audits once policies and programs settle

Sustainable development

The Office of the Controller and Auditor-General is currently reviewing its role in auditing sustainable development and environmental issues, which may lead to a new strategy and greater awareness in the Office.

The Office is interested in sharing advice with other SAIs that have done or will do similar reviews.

Parallel audit of funds for Chernobyl Nuclear Power plant disaster (Poland, Mr. Zbigniew Wesolowski)

A parallel audit of the resources made available by the international community for the elimination of the consequences of the Chernobyl Nuclear Power Plant disaster is planned. The parallel audit is meant to study

- the implementation of the Memorandum of Understanding—on the Closure of the Chernobyl Nuclear Power Plant—between the governments of the G-7 and the Commission and the Government of Ukraine; and
- the Framework Agreement—for the Reconstruction and Development on Activity of the Chernobyl Shelter Fund in Ukraine—between Ukraine and the European Bank.

Of the 26 donor and contributor countries that were invited to participate in the audit, 7 SAIs were interested in international audit cooperation. At the EUROSAI WGEA meeting to be held in Luxembourg in November 2006

- the parallel audit will be formally established; and
- the Special Subgroup on the Audit of Natural, Man-caused Disasters Consequences and Radioactive Waste Elimination will be formally approved. This sub-group could cooperate with the INTOSAI Task Force on the Accountability and Audit of Disaster-Related Aid.

Challenges of climate change (United States, Mr. Steven Elstein)

In United States, the federal government does not yet have any formal regulatory initiatives to address climate change. However, as this issue is getting growing support from voters and the general public, individual states and municipalities are taking steps to address climate change.

As its mandate comes from the federal Congress, the Government Accountability Office (GAO) has little control over its agenda for climate change. The Office is progressively getting involved in climate change through requests from senators to examine specific issues. For example, the GAO was given a mandate from senators to investigate potential impacts of the changing climate on the insurance industry and the resulting liability of the federal government when insurance companies don't cover the damage. This audit was initiated in the aftermath of damage caused by powerful hurricanes that occurred in the country over the past few years. This audit has three main objectives:

- to summarize the science of climate change;
- to quantitatively assess past trends and damage claims associated with weather events over the last 25 years; and
- to examine how the insurance industry is managing this situation and the implications for future severe events.

The GAO is likely to conduct more audits on climate change, as the topic becomes a priority for the federal government.

Participants

Present:

Austria

Heinrich Lang

Brazil

Benjamin Zymler

Thaís Fernandes

Elaine Souza

Cameroon

Virginie Nguele Viang

Canada

Johanne Gélinas

Richard Smith

John Reed

Carolle Mathieu

Vivien Lo

Sylvie McDonald

Anne Charron

Linda Jennex

David Normand

Eric Hellsten

Gerry Chu

John Sokolowski

Nancy Goulet

China

Zhai Aicai

Wang Benqiang

Xing Jiafeng

Czech Republic

Miroslav Kruchina

Jana Kožnarová

Egypt

Samia Labib

Fiji

Atunaisa Nadakuitavuki

Indonesia

Anwar Nasution

Netherlands

Pieter Zevenbergen

Arien Blee-Booij

Rob de Bakker

New Zealand

Jonathan Keate

Norway

Eirik Larsen Kvakkestad

Sissel Iversen

Poland

Jacek Jezierski

Zbigniew Wesolowski

Ewa Borkowska-Domańska

United Kingdom

Joe Cavanagh

Laura Lane

United States

Steven Elstein

Zimbabwe

Midred Chiri

Observers:

Estonia

Mikhel Oviir

Tõnis Saar

Kärg Kama

Ethiopia

Senait Melese Ejigu

Absent:

Costa Rica

Jordan

Peru

South Africa

Sri Lanka