

The World Summit on Sustainable Development

An Audit Guide for Supreme
Audit Institutions



INTOSAI
Working Group on
Environmental Auditing

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November 2007



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This publication was prepared by the INTOSAI Working Group on Environmental Auditing (WGEA). The WGEA aims to encourage the use of audit mandates and audit methods in the field of environmental protection and sustainable development by Supreme Audit Institutions (SAIs). The WGEA has the mandate to

- help SAIs gain a better understanding of the specific environmental auditing issues,
- facilitate exchange of information and experiences among SAIs, and
- publish guidelines and other informative material.

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Acronyms and Abbreviations

FDI	Foreign Direct Investment
ODA	Official Development Assistance
NAO	National Audit Office—United Kingdom
SAIs	Supreme Audit Institutions
UNCSD	United Nations Commission on Sustainable Development
WGEA	Working Group on Environmental Auditing
WSSD	World Summit on Sustainable Development

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Foreword

Twenty years ago, the 1987 seminal report *Our Common Future* ushered in the era of sustainable development. Its basic premise, arguably revolutionary at the time, gave rise to new thinking about the relationship between our economic development, environmental health, and social prosperity. It set in motion sweeping changes to government policies and regulatory programs and embraced non-government partners in a common cause. In 2004, the Working Group on Environmental Auditing (WGEA) published the guidance document *Sustainable Development: The Role of Supreme Audit Institutions* to help SAIs understand this important topic and to guide the development of related audits.

At the 2002 World Summit on Sustainable Development (WSSD) held in Johannesburg, South Africa—one of the largest gatherings of Heads of State ever to take place—the world took stock of its progress toward this common cause. By the end of the Summit, more than 180 leaders had renewed—and increased—their commitment to working toward sustainable development and poverty reduction and to creating a more sustainable Earth.

The main product of the WSSD—the Plan of Implementation—is the world’s most recent global agenda for achieving sustainable development. Building on *Agenda 21* of the 1992 Earth Summit held in Rio de Janeiro, Brazil, the Plan sets direction and commitments in areas such as poverty reduction, education, water, waste, air, biodiversity, forests, and energy. At the national level, some countries have integrated their WSSD commitments into sustainable development strategies.

This paper, *The World Summit on Sustainable Development: An Audit Guide for Supreme Audit Institutions*, builds on our previous work, providing guidance to Supreme Audit Institutions on how they can specifically audit the implementation of WSSD commitments at home. Drawing on actual related experiences by SAIs, it offers simple and practical advice in a field that can seem abstract and complex. By following the guidance included in this paper, environmental auditors can play a crucial role in holding governments to account for the commitments they made at the WSSD—to hold their “feet to the fire” so to speak.

This paper was led by the United Kingdom National Audit Office (NAO). I would like to thank the authors—Joe Cavanagh, Sarah Billiald, and Laura Lane from the NAO—for all of their hard work and efforts in preparing the paper.

The World Summit on Sustainable Development: An Audit Guide for Supreme Audit Institutions is one of four guidance papers developed by the INTOSAI Working Group on Environmental Auditing in the Work Plan period 2005–2007. The other three papers are

- *Evolution and Trends in Environmental Auditing*,
- *Cooperation Between Supreme Audit Institutions: Tips and Examples for Cooperative Audits*, and
- *Auditing Biodiversity: Guidance for Supreme Audit Institutions*.

Readers are encouraged to consult these papers as well as Appendix 3 to this paper for information on other WGEA products and services.

Enjoy!



Sheila Fraser
INTOSAI WGEA Chair

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Executive Summary

Large international conventions on environmental and sustainable development issues require participating countries to make substantial efforts in both preparation and follow-up; these efforts can be time-consuming and costly. But it is not always obvious whether progress has been made against such agreements.

As auditors, we are in a strong position to examine our countries' response to the commitments made at gatherings such as the World Summit on Sustainable Development (WSSD). We are able to validate claims of progress and, in many cases, make recommendations that can move the agenda forward. However, very few Supreme Audit Institutions (SAIs) have conducted audits on the implementation of WSSD commitments.

This guide describes a variety of approaches to auditing implementation of the international commitments arising at the WSSD, including

- assessing the translation of WSSD commitments into national commitments,
- assessing whether effective delivery mechanisms are in place,
- assessing the links between the WSSD and national sustainable development strategies,
- auditing externally funded projects to implement commitments, and
- focusing on the delivery of specific WSSD topics.

All SAIs, from both developed and developing countries—no matter what their audit mandate—will be able to use this guide to find a suitable audit approach. As with any audit, there is no right or wrong way of conducting an audit of the implementation of the WSSD commitments: The choice of approach and audit methodologies will depend very much on the individual SAI.

This guide builds on a previous INTOSAI WGEA paper entitled *Sustainable Development: the Role of Supreme Audit Institutions* to further enable SAIs to gain the insight they need to audit how governments make sustainable development an integral part of their activities.

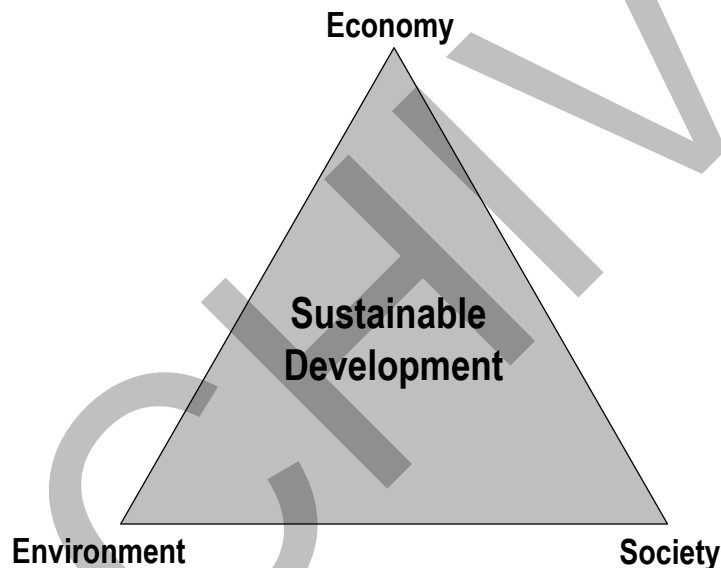
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1. Introduction

1.1 What is sustainable development?

The concept of sustainable development has been defined in many ways and this often makes it difficult to understand. The well-known definition provided in 1987 by the World Commission on Environment and Development is “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” Sustainable development can also be thought of as development that brings together social, environmental, and economic objectives (the three dimensions of sustainable development, as shown in Exhibit 1).

Exhibit 1: The three dimensions of sustainable development



In 2004 the United Kingdom National Audit Office and the Canadian Office of the Auditor General wrote a paper for the INTOSAI Working Group on Environmental Auditing entitled *Sustainable Development: the Role of Supreme Audit Institutions*. It describes how the concept of sustainable development has been applied to individual policies or programmes and the role of Supreme Audit Institutions (SAIs) in auditing how well this has been done. It also considers the steps SAIs may need to take to develop their ability to undertake audits in the field of sustainable development. Although this guide draws upon the 2004 paper, it is not intended to duplicate it. This guide focuses instead on how SAIs can audit progress against the commitments made at the World Summit on Sustainable Development (WSSD).

? Where can I find out more about the concept of sustainable development?

Our Common Future (1987) Report of the World Commission on Environment and Development (often referred to as the Brundtland Report) <http://www.un-documents.net/wced-ocf.htm>

Sustainable Development: the Role of Supreme Audit Institutions (2004) INTOSAI Working Group on Environmental Auditing

English: [http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainerPub/eng04pu_guidesusdevsairole.pdf/\\$file/eng04pu_guidesusdevsairole.pdf](http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainerPub/eng04pu_guidesusdevsairole.pdf/$file/eng04pu_guidesusdevsairole.pdf)

Other INTOSAI languages:
<http://www.environmental-auditing.org/intosai/wgea.nsf/viewStudies>

United Nations Division for Sustainable Development web-pages:
<http://www.un.org/esa/sustdev/>

1.2 Background to the World Summit on Sustainable Development (WSSD)

The WSSD was held in Johannesburg in September 2002, 10 years after the influential Earth Summit in Rio de Janeiro.¹ It's very likely that your country was represented, as more than 22,000 people participated: Governments, businesses, non-governmental organisations and the media were all represented.

The WSSD looked at a broad range of issues under the heading of sustainable development, including energy, resource use, biodiversity, agriculture, global trade, and poverty reduction. The WSSD reinforced several pre-existing agendas, including commitments previously entered into at the 1992 Rio Summit ("Agenda 21"), the United Nations Framework Convention on Climate Change, the Millennium Development Goals, and the World Trade Organisation's Doha Development Agenda. It positioned these existing agendas within a broader framework of sustainable development and globalisation, rather than treating sustainable development as a separate or specialist issue. The topics covered by the WSSD affect every country, and they are topics that many SAIs take an active interest in. Subsequent reports by the United Nations and others have emphasised the extent to which the problems discussed at the WSSD (in particular climate change) are man-made, the extent to which the solutions are in mankind's hands, and the urgent need for action nationally and internationally.

But the outcomes of the WSSD were not easy to identify or track. This guide therefore aims to explain what the outcomes were and how they might be used as the basis for an audit.

¹ <http://www.un.org/geninfo/bp/enviro.html>

The key outcomes of the WSSD

The three key outcomes of the WSSD were the Declaration on Sustainable Development, the Plan of Implementation, and partnerships for sustainable development. These outcomes set out what participating countries agreed to do to promote sustainable development at the end of the Summit. So if your SAI is thinking about undertaking an audit of your country's progress toward the commitments made at the WSSD, it is helpful to understand what the countries committed to. The rest of section 1.2 explains a bit more about the outcomes, and how they might be used in audits.

Participating countries made a commitment to action following the Summit by signing a **Declaration on Sustainable Development**. The Declaration reaffirmed the international commitment to sustainable development. The key commitment in the Declaration was to follow the Plan of Implementation. The Declaration contains no specific commitments, which makes it difficult to use the Declaration to audit countries' performance. The Declaration does, however, describe that the essential requirements for sustainable development are poverty eradication, changing consumption and production patterns, and protecting and managing the natural resource base for economic and social development. This might help you think about the key areas on which you could base an audit, using the Plan of Implementation as a guide to specific commitments.

The **Plan of Implementation** is a detailed description of how sustainable development can be achieved at international, national, and local levels. The Plan identified priority areas for each world region. It called on governments to take action on a wide variety of issues, and restated existing targets (such as the Millennium Development Goals²), but it did not set many new targets. The lack of targets and goals makes it more difficult to monitor, report, and audit progress against the Plan of Implementation, but there are some specific and auditable commitments, such as

- establishing a national sustainable development strategy by 2005,
- significantly reducing the rate of biodiversity loss by 2010, and
- establishing representative networks of marine protected areas by 2012.

In addition, the detailed descriptions of the actions set out in the Plan of Implementation provide a helpful basis for process-based audits of countries' performance.

Over 200 voluntary **partnerships for sustainable development** were established at the WSSD. The partnerships bring together governments, businesses, and other non-governmental stakeholders. Depending on your SAI's audit mandate, this may make it more difficult to audit partnerships than the commitments outlined in the Plan of Implementation.

² See: <http://www.developmentgoals.org>

The Millennium Development Goals are: (1) Eradicate extreme poverty and hunger, (2) Achieve universal primary education, (3) Promote gender equality and empower women, (4) Reduce child mortality, (5) Improve maternal health, (6) Combat HIV/AIDS, malaria, and other diseases, (7) Ensure environmental sustainability, (8) Develop a global partnership for development

? Where can I find out more about the outcomes of the Summit?

The Declaration can be found in English, French, and Spanish at:
http://www.un.org/esa/sustdev/documents/docs_key_conferences.htm

The Plan of Implementation can be found in English, French, and Spanish at: http://www.un.org/esa/sustdev/documents/docs_key_conferences.htm

Further details about partnerships can be found at:
<http://www.un.org/esa/sustdev/partnerships/partnerships.htm>



This guide gives you some ideas for how you might approach an audit of your country's progress against the commitments made at the WSSD, but it is helpful to remember that the commitments arising from the WSSD can be thought of as countries' agreement to work toward the WSSD Declaration, the Plan of Implementation, and partnerships.

1.3 Why is the WSSD important for all SAIs?

Different nations have different development priorities. While environmental protection may be very important to some, poverty eradication may be the priority for others. However, the WSSD Plan of Implementation indicates that goals of economic development, social development, and environmental protection cannot be pursued separately, because they are interdependent and mutually reinforcing (Plan of Implementation, paragraph 2). This means that the outcomes of the WSSD are applicable to all nations: developed and developing, large and small.

Extract from the WSSD Plan of Implementation

These efforts will... promote the integration of the three components of sustainable development—economic development, social development and environmental protection—as interdependent and mutually reinforcing pillars. Poverty eradication, changing unsustainable patterns of production and consumption, and protecting and managing the natural resource base of economic and social development are overarching objectives of, and essential requirements for, sustainable development.

Paragraph 2

The WSSD Plan of Implementation states that “good governance within each country... is essential for sustainable development” (Plan of Implementation, paragraph 4). Though the United Nations Commission on Sustainable Development³ has a role in reviewing progress toward WSSD commitments, it does not have the same power as SAIs to hold countries to account. SAIs have a key role in holding governments accountable for their systems of governance and, as

³ The mandate of the United Nations Commission on Sustainable Development is described at: <http://www.un.org/esa/sustdev/csd/aboutCsd.htm>

auditors, we are well placed to review and comment on our countries' progress. However, very few SAIs have conducted audits of the implementation of WSSD commitments.

Though the scope for audits will depend on the SAI's mandate,⁴ the wide range of topics covered at the WSSD means that there are plenty of opportunities to conduct audits of this subject. A consideration of the WSSD is applicable to SAIs with a variety of audit mandates. For example,

- **compliance** audits could be based on whether countries have complied with the commitments made at the WSSD;
- **performance** audits might take the form of auditing the economy, efficiency, or effectiveness of policies or programmes implemented as a result of WSSD commitments, or the performance of state bodies with a responsibility for ensuring implementation; and
- **financial** audits could consider whether multilateral and bilateral funding has been spent for its intended purpose, and properly accounted for.

⁴ See *Sustainable Development: the Role of Supreme Audit Institutions* (2004) INTOSAI Working Group on Environmental Auditing for further guidance: [http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainerPub/eng04pu_guidesusdevsairole.pdf/\\$file/eng04pu_guidesusdevsairole.pdf](http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainerPub/eng04pu_guidesusdevsairole.pdf/$file/eng04pu_guidesusdevsairole.pdf)

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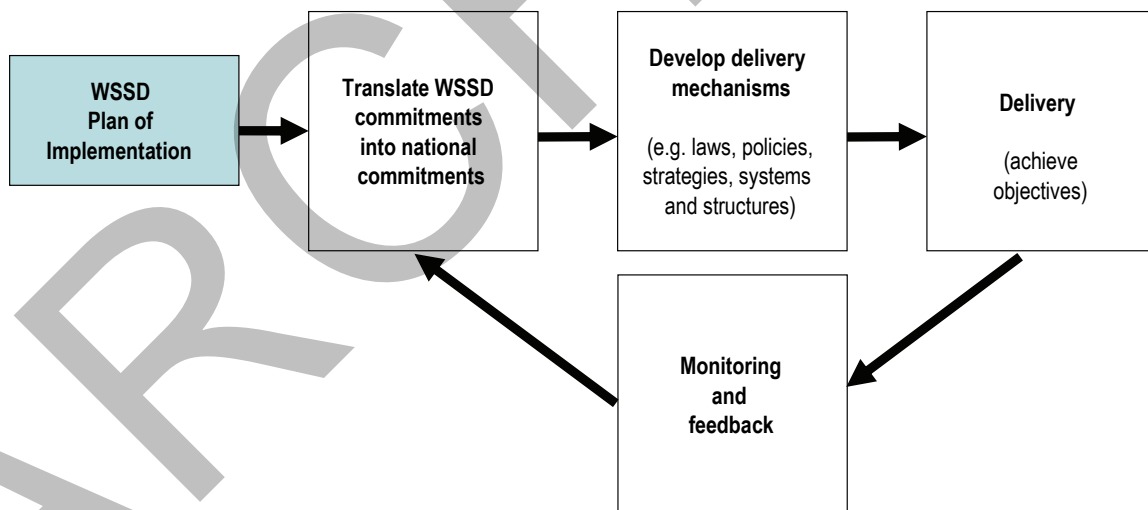
2. A Selection of Approaches for Auditing the Implementation of WSSD Commitments

The Johannesburg Declaration and Plan of Implementation were unanimously agreed to by nearly 200 states that attended the Summit. So for all practicable purposes, the question facing countries is not whether but how to implement the commitments entered into. Once a state has decided how to implement these commitments, the way is open for the Supreme Audit Institution (SAI) to examine that implementation.

There are many different ways in which your SAI could audit the implementation of the World Summit on Sustainable Development (WSSD) commitments, but what your SAI decides to audit will be very specific to your country's priorities. Some countries will already have national sustainable development strategies, and these may be wider in scope than the WSSD; in other countries, there will be no pre-existing national strategy and the WSSD will be the starting point for development of a national strategy. This guide presents a selection of examples, drawn from this early work by SAIs, to help you think about which approach (or approaches) would be most appropriate for your SAI.

In order to implement the commitments arising at the WSSD, all countries need to take several steps (Exhibit 2 shows the stages of implementing the commitments as national policy).

Exhibit 2: Implementation of the WSSD commitments at a national level



Your SAI could decide to look at some or all of these steps:

- translating WSSD (international) commitments into national commitments;
- putting in place effective policies, systems, and structures to achieve the national commitments (delivery mechanisms);

- evaluating the success with which individual policies achieve the policy objectives (delivery); and
- determining whether monitoring processes and feedback systems have been put in place to improve the future delivery of national policies.

So far, no SAI has completed a comprehensive audit of the implementation and delivery of WSSD commitments. Many WSSD commitments were long-term (such as the commitments to halve the number of people who live in poverty by the year 2015, or to restore fisheries stocks to levels that can produce the maximum sustainable yield by 2015;) so SAIs will not yet be able to assess whether these commitments have been delivered. Many of the audits completed so far have tended to focus on whether the processes are in place to enable the commitments to be delivered.

This guide describes some case examples of how SAIs have carried out audits relating to different steps in the implementation of WSSD commitments, and it gives some suggestions for how your SAI could adopt a similar audit focus. Your SAI may choose one of these approaches, or a mixture, depending on your audit mandate and your country's sustainable development priorities.

2.1 Assessing the translation of WSSD commitments into national commitments

A good way to evaluate whether your country has started to implement WSSD commitments is to look at what action has been taken to translate them into national commitments.

Why would you assess action to translate WSSD commitments into national commitments?

The WSSD Plan of Implementation sets out that states should promote a coordinated approach to the implementation of WSSD commitments.

Extract from the WSSD Plan of Implementation

States should continue to promote coherent and coordinated approaches to institutional frameworks for sustainable development at all national levels, including through, as appropriate, the establishment or strengthening of existing authorities and mechanisms necessary for policy-making, coordination and implementation and enforcement of laws.

Paragraph 162 (a)

How would you assess how well your country has translated WSSD commitments into national commitments?

This approach focuses on the activities of key government departments, ministries, or agencies.

➤ **Getting started**

- Begin by finding out whether your government made any statements after the WSSD on how it intended to follow up on the commitments made at the Summit.
- Find out which government departments, ministries, or agencies took responsibility for preparing for the WSSD and coordinating follow-up.
- Investigate which government departments, ministries, or agencies have incorporated WSSD commitments into their strategies, action plans, spending plans, performance indicators, and so on.
- Find out which national bodies are responsible for ensuring implementation of WSSD commitments.
- Find out which sections of the WSSD Plan of Implementation your country is prioritising.

➤ **Audit methodologies**

The audit methodologies you could use include interviews with departmental officials, questionnaires, and review of key government documents.

If you are auditing or planning to audit the performance of one or more of the key bodies responsible for ensuring implementation of the WSSD commitments, you could assess how well they have implemented the WSSD commitments as part of the audit criteria.

Office of the Auditor General of Canada

Tracking action to develop a coordinated federal response to the WSSD

The Office of the Auditor General of Canada (OAG) has a Commissioner of the Environment and Sustainable Development. In 2002 the Commissioner committed to tracking action to develop a coordinated federal response to the WSSD. Shortly after the WSSD, therefore, the OAG recommended that the federal government develop a plan to ensure that Canada's commitments were met.

Background to Canada's response to the WSSD

In 2003, the secretariat responsible for coordinating Canada's involvement in the WSSD identified 46 priority areas from the WSSD Plan of Implementation that Canada would seek to implement. The list identified which government departments would be responsible for leading and implementing each commitment. However, the draft list was never finalised and no federal action plan on WSSD commitments was developed. It was then up to each department to determine its own responsibilities for delivering on commitments relevant to its mandate.

Audit approach and findings

Without a federal plan to ensure that Canada's commitments were met, it was harder for the OAG to examine implementation. The OAG therefore investigated which government departments had incorporated WSSD commitments into their individual sustainable development strategies. It found that only four departments—those responsible for international development, foreign affairs, finance, and industry—had done so in a meaningful way, by linking commitments to their activities. The other departments either did not clearly specify the action they would take, or did not mention the WSSD at all.

As another way of keeping attention on the WSSD in the absence of a coordinated federal response, in 2004 the OAG began to follow up on individual commitments from the WSSD Plan of Implementation by including them in other audits. (More information about auditing individual commitments is given below.)

By including the examination of WSSD commitments in other audits, the OAG was able to rate progress on six WSSD commitments. These were then reported together in the Commissioner of the Environment and Sustainable Development's 2005 Report to give a picture of Canada's progress toward meeting its WSSD commitments. Though this was challenging, in the absence of clear federal expectations for WSSD commitments, it enabled the OAG to draw some key conclusions:

“The government does not have an action plan for 2002 World Summit commitments... Because progress is slow in some areas and there is no information on progress in others, the federal government risks not meeting three of the six commitments examined:

- *establishing a national sustainable development strategy by 2005,*
- *significantly reducing the rate of biodiversity loss by 2010, and*
- *establishing representative networks of marine protected areas by 2012.”*

The report of the Commissioner of the Environment and Sustainable Development can be found at: http://www.oag-bvg.gc.ca/domino/reports.nsf/html/c2005menu_e.html

2.2 Assessing whether effective delivery mechanisms are in place

It may be some time before it is possible or feasible to assess the ultimate impact of the Summit and of national implementation of commitments entered into. Pending such evaluations of policy or programme effectiveness (which we cover in section 2.5), SAIs may wish to look at whether their government has put in place effective mechanisms or processes to secure successful delivery.

In order for countries to deliver on their commitments, they need to put “delivery mechanisms” in place to enable the commitments to be met. These delivery mechanisms could include, for example:

- policies, strategies, or action plans (in addition to any national sustainable development strategy, which is covered in the section 2.3);

- regulations or legislative powers;
- specific teams, committees, working groups, or task forces;
- reporting and accountability mechanisms for delivery and progress against commitments, including performance indicators; or
- specific programmes or projects.

Delivery mechanisms don't need to be specifically for meeting the WSSD commitments; many could already exist or be modified for the WSSD.

An audit to examine whether delivery mechanisms were in place would therefore assess the extent to which your country has set up the structures and systems to enable progress to be planned, coordinated, monitored, and reported.

Why should you audit delivery mechanisms?

If it is too soon to look at overall performance, because your country has only just embarked upon implementation, assessing whether delivery mechanisms are in place is a useful way to get an early idea of progress.

If you want to look at your country's overall approach to implementation of the WSSD commitments, looking at delivery mechanisms enables you to obtain an overview without having to investigate the detail of specific topics, which—given the breadth of the topics covered by the WSSD—would be too much to undertake in one audit.

How do you audit delivery mechanisms?

Begin by mapping which delivery mechanisms are in place, and then evaluate the effectiveness of the individual mechanisms and the package of mechanisms as a whole. This section explains how to tackle each of these steps, and suggests some potential audit methodologies.

➤ *Begin by mapping which delivery mechanisms are in place*

- Find out which delivery mechanisms were selected by your country (these might be delivery mechanisms that deal with your country's overall approach to implementing WSSD commitments, or delivery mechanisms associated with each commitment) or whether a more holistic, comprehensive approach is planned.
- Find out which government departments, ministries, or agencies took responsibility for coordinating follow-up to the WSSD and who will be accountable for success or failure.
- Find out whether any committees, working groups, task-forces, or similar groups were set up in response to the WSSD.
- Find out whether any action plans, strategies, policies, or programmes have been created as a result of the WSSD.
- Find out whether the outcomes of the WSSD have been considered in other state activities that were due to happen anyway. For example, in the United Kingdom, departments were asked to consider how to incorporate the WSSD commitments in their spending bids for the 2004 Spending Review.

United Kingdom National Audit Office

Progress of government departments in integrating the United Kingdom's WSSD commitments

Background to the United Kingdom's response to the WSSD

The UK government set out its main commitments arising from the WSSD in the form of a "Table of Commitments," summarised across 20 topics. The table shows which government departments are to lead the follow-up to each commitment.

Audit scope

In 2004, the National Audit Office (NAO) undertook a review entitled "Mechanisms for UK delivery on commitments arising from the World Summit on Sustainable Development (2002)." This review focused on the following:

- **The value of the UK WSSD Table of Commitments as a delivery mechanism:** the Table's role in relation to the WSSD Plan of Implementation, assignment of departmental responsibilities, and monitoring and reporting.
- **The challenge of embedding WSSD outcomes into key government-wide delivery mechanisms:**
 - embedding WSSD commitments into the 2004 review of the UK's Sustainable Development Strategy;
 - embedding WSSD commitments into the 2004 cross-government spending review; and
 - the role of the Sustainable Development Task Force, which was set up to oversee the review of the UK's Sustainable Development Strategy and the UK's follow-up to the WSSD.
- **The response of different government departments:** embedding WSSD outcomes in established delivery mechanisms—specifically the five designated lead departments (departments responsible for: environment, food and rural affairs; trade and industry; foreign affairs; international development; and the Treasury).

Audit methodologies

This analysis was based on structured and semi-structured interviews with key officials across the five government departments identified as leading the WSSD delivery, combined with a review of documentary evidence.

Audit findings

The key findings were the following:

- The WSSD did not provide the international community with a clear or auditable set of commitments.
- The UK Table of Commitments was produced to present the UK's interpretation of its WSSD commitments, but the Table also has limitations.
- UK WSSD commitments have been reflected in 2004 Spending Review Public Service Agreements to varying degrees.
- Key departments have incorporated UK WSSD commitments into delivery planning to varying degrees.

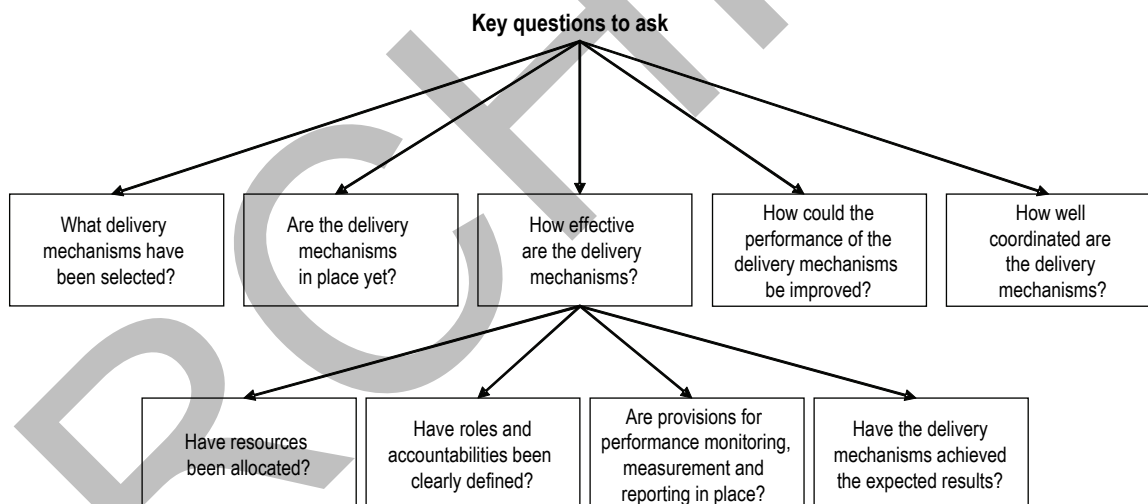
- The government has produced two brief annual reports on progress and proposes changes in how progress will be reported.
- Formal delivery mechanisms understate the extent to which departments are working toward WSSD goals.
- The review of the UK Sustainable Development Strategy provides a new opportunity to incorporate UK WSSD commitments.

The NAO's findings were presented to the UK Parliament Environmental Audit Committee, which the Committee then published as an appendix to its own report on the WSSD. This report can be found at: <http://www.publications.parliament.uk/pa/cm200405/cmselect/cmenvaud/381/38104.htm>

➤ ***When you have mapped the delivery mechanisms, develop a framework for analysing how effective they are***

Once the delivery mechanisms have been identified, the audit can proceed in a similar manner to any other performance audit. Some of the key questions to consider are shown in Exhibit 3.

Exhibit 3: Framework for assessing the effectiveness of delivery mechanisms



Office of the Auditor General of Zimbabwe

Audits cannot begin until delivery mechanisms are legally created

In Zimbabwe, the audit of key delivery mechanisms cannot start until they are legally created by Parliament—some of the mechanisms that will be used to deliver WSSD commitments in Zimbabwe are still in draft form. These include the National Environmental Policy and the National Sustainable Development Strategy, which are awaiting parliamentary approval.

Office of the Auditor General of New Zealand

Audit of selected aspects of the Sustainable Development Programme of Audit

Background to New Zealand's response to the WSSD

In January 2003, following the WSSD, the government released its “Sustainable Development for New Zealand: Programme of Action.” This set out principles, selected work streams, and plans for monitoring and evaluation, in order to strengthen the way that the government works toward making New Zealand more sustainable. The Programme of Action is therefore a key delivery mechanism for implementing WSSD commitments in New Zealand.

Audit scope

A performance audit was planned to be carried out in 2006–07 to provide assurance to Parliament that the Sustainable Development Programme of Action has been effectively implemented, by

- assessing whether the approaches to, and effectiveness, of leadership by selected agencies are consistent with the Programme of Action (looking particularly at planning, implementation, and evaluation);
- assessing whether the processes used by the leaders of two of the four work streams (“sustainable cities” and “energy”) are consistent with the Programme of Action; and
- assessing whether the resources (funding, people, and time) applied to the Programme of Action by selected agencies are effective.

Audit methodologies

The Office of the Auditor General planned to assess how **effectively** the Programme of Action was implemented. It defined “effective” as “how well the responsible entities used sustainable development principles and processes, as outlined in the Programme of Action, to give effect to the Programme.”

The planned methodologies include audits of the key departments responsible for the work streams (how leadership was provided, how the programme was planned and implemented, and how the programme was evaluated) and stakeholder meetings.

➤ **Audit methodologies for analysing the effectiveness of the delivery mechanisms**

You could conduct **interviews** with government representatives that: contributed to your country's preparations for the WSSD, comprised the WSSD secretariat (prepared for the WSSD or attended the WSSD), or produced briefings on the outcomes of the WSSD. These individuals are likely to have an understanding of how your country has chosen to respond to the WSSD commitments.

You could **review documents** such as meeting minutes, briefings, strategies, action plans, or similar documents produced by these individuals prior to or following the WSSD.

You could **review the activities of any executive bodies** that were set up before or after the WSSD, such as any committees, working groups, task forces, or similar groups.

You could use **questionnaires** to find out how different government departments, ministries, or agencies reacted to the outcome of the WSSD, such as those dealing with the environment, poverty reduction, trade, water, energy, or agriculture.

You could also **consult stakeholders** outside of government, for their views on the strengths and weaknesses of the government's response to the WSSD. While it may be impracticable to consult citizens directly, their interests may be represented in the views of organised groups and non-governmental organisations with an interest in development or sustainability issues. These views would still need to be tested against evidence gathered elsewhere.

2.3 Assessing the links between the WSSD and national sustainable development strategies

The creation of a national sustainable development strategy is an important factor to consider when planning an audit relating to the WSSD because it is

- a key commitment arising from the WSSD (in the Plan of Implementation),
- a national approach to the WSSD (see section 2.1), and
- a key delivery mechanism (see section 2.2).

The INTOSAI WGEA paper *Sustainable Development: the Role of Supreme Audit Institutions* describes in detail how to audit SAIs' approaches to the creation and implementation of sustainable development strategies; this guide provides a brief summary of how they relate to the WSSD.

A national strategy for sustainable development is intended to provide a cohesive national approach to sustainable development and to set a direction for the country to follow, including steps to help meet the targets set by international accords. As such, a country's sustainable development strategy is likely to be a key delivery mechanism for implementing WSSD commitments. Indeed, the WSSD Plan of Implementation calls upon states to develop national

strategies. There are three important points to note about the links between the WSSD and national strategies:

- National strategies may well pre-date the WSSD, and may or may not have been updated to reflect the WSSD.
- The coverage of national strategies may well extend beyond that of the WSSD—for example, covering national environment issues or issues not covered by the WSSD.
- Sustainable development strategies are unique to each country and should be based upon the interpretation of what sustainable development means to that country, and the priorities identified accordingly.

Why would you assess the national sustainable development strategy?

As set out in the WSSD Plan of Implementation, drawing up a national sustainable development strategy was a key commitment arising from the WSSD. For many countries, a sustainable development strategy could be the key delivery mechanism for implementing WSSD commitments into national activities, and is therefore a good place to begin any work on assessing a country's response to the WSSD.

Extract from the WSSD Plan of Implementation

States should...take immediate steps to make progress in the formulation and elaboration of national strategies for sustainable development and begin their implementation by 2005... Such strategies, which, where applicable, could be formulated as poverty reduction strategies that integrate economic, social and environmental aspects of sustainable development, should be pursued in accordance with each country's national priorities.

Paragraph 162b

How can you assess the national sustainable development strategy?

The approach you take will depend on the level of progress toward creating and implementing the sustainable development strategy in your country. There are three key approaches that you could consider: auditing your country's readiness to create a strategy; assessing whether your country's existing sustainable development strategy is adequate in terms of its rigour, clarity, and ambition; and assessing whether the strategy has delivered the expected benefits.

➤ Auditing your country's readiness to create a strategy

If your country has not yet created a sustainable development strategy, you could adopt the approach used by the National Audit Office of Bulgaria to audit your country's readiness to create a strategy.

National Audit Office of Bulgaria

Performance audit on Bulgaria's readiness to create a National Strategy for Sustainable Development

Background to Bulgaria's response to the WSSD

Prior to the WSSD, the Council of Ministers for the Republic of Bulgaria approved a framework of commitments that Bulgaria would implement. The commitments related to poverty, eradication; changing unsustainable production and consumption patterns, conserving and measuring natural resources, globalization, and health. The Council of Ministers is responsible for the overall coordination of sustainable development efforts, though monitoring and reporting on progress are carried out by the Ministry of Environment and Water and the Ministry of Foreign Affairs.

Audit approach

In 2003–04 the Bulgarian National Audit Office carried out a performance audit of Bulgaria's readiness to create a National Strategy for Sustainable Development. The commitment made at the WSSD was used as the justification for the audit.

Audit methodologies

The main focus of the audit was planning mechanisms. The auditors analysed

- the approaches taken by different ministries to develop sustainable development strategies and the plans and programmes for their implementation;
- the use of performance indicators;
- the available resources for the realisation of the strategies and programmes; and
- the degree to which the developed strategies set up coordinated systems for short-term, mid-term, and long-term planning.

Audit findings

The auditors found that there was a need for an effective coordination mechanism to avoid the duplication of goals, targets, and measures for the large number of strategies in different areas. A National Strategy for Sustainable Development, along with performance indicators, would help.

➤ **Assessing whether your country's existing sustainable development strategy includes the key issues covered by the WSSD**

If your country has a sustainable development strategy, you could assess whether it includes the key issues covered by the WSSD (see Canada's approach, for example, of how to go about this).

Office of the Auditor General of Canada

Assessing whether departments' sustainable development strategies include WSSD commitments

Canada does not have a National Strategy for Sustainable Development, but government departments are required to draw up sustainable development strategies. The government's guidance to departments for drawing up the strategies for 2004 set out three priorities; the implementation of WSSD commitments was one of the priorities.

The auditors examined whether, and how well, departments responded to the three priorities given in the guidance document for the 2004 strategies. They concluded that only four departments incorporated WSSD commitments in their sustainable development strategies in a meaningful way.

➤ **Assessing whether the strategy has delivered the expected benefits**

If your country has a sustainable development strategy, the next step is to assess whether it has delivered the expected benefits. For example, the Austrian Court of Audit conducted an audit to investigate the implementation of the Federal Strategy for Sustainable Development in Austria.

Austrian Court of Audit

Assessing the Federal Strategy for Sustainable Development in Austria

The aim of the audit was to investigate concepts and measures concerning the implementation of the Austrian Federal Strategy for Sustainable Development. The audit found that

- not all ministries were aware of the importance of sustainable development,
- there was a lack of data about progress against sustainable policies,
- evaluation of important political decisions as to their sustainability was not obligatory, and
- there was no budget dedicated to matters of sustainability.

The audit recommended that a tool for the consideration of sustainability in policies should be established and that the costs and benefits of sustainable measures should be made transparent to increase acceptance of sustainable development.

For guidance on a wider audit of the quality of your country's sustainable development strategy (that is, going beyond the WSSD), please refer to the INTOSAI WGEA paper *Sustainable Development: the Role of Supreme Audit Institutions*. This publication sets out a series of audit criteria that your SAI could use to assess the likely effectiveness of the national sustainable development strategy in delivering the expected benefits.

2.4 Auditing externally funded projects to implement commitments

Large sums of bilateral and multilateral funding are directed to projects to help meet the Millennium Development Goals and other international priorities agreed at the WSSD. Indeed, the WSSD Plan of Implementation highlights foreign direct investment (FDI) and official development assistance (ODA) as key means of implementing the aims of the WSSD.

Extracts from the WSSD Plan of Implementation

States should carry out the following actions:

Encourage recipient and donor countries, as well as international institutions, to make ODA more efficient and effective for poverty eradication, sustained economic growth and sustainable development.

Paragraph 79b

Promote... measures in source and destination countries to improve transparency and information about financial flows to contribute to stability in the international financial environment. Measures that mitigate the impact of excessive volatility of short-term capital flows are important and must be considered.

Paragraph 80b

Work to ensure that the funds are made available on a timely, more assured and predictable basis to international organizations and agencies, where appropriate, for their sustainable development activities, programmes and project.

Paragraph 80b

Urge the developed countries that have not done so to make concrete efforts towards the target of 0.7 per cent of gross national product as official development assistance to developing countries and effectively implement their commitment on such assistance to the least developed countries.

Paragraph 85a

Why would you audit projects to implement commitments?

Auditing externally funded implementation projects can assist such projects in becoming more efficient, transparent, and effective in delivering their aims.

How would you audit projects to implement commitments?

Whether they are donors or recipients, there is scope for SAIs to audit bilateral and multilateral funding activity, and indeed many are already doing so. These could take the form of

- financial audits,
- compliance audits,
- performance audits, or
- comprehensive audits.

Within each of these there is scope to include the commitments in the WSSD Plan of Implementation to shape these audits. The WSSD Plan of Implementation provides a vision for what effective funding mechanisms should look like (as set out above); SAIs can play a part in evaluating whether their country is moving in the right direction.

Office of the Auditor General of Zimbabwe

Performance and financial audits on UNDP-funded WSSD projects

Background to Zimbabwe's response to the WSSD

The United Nations Development Programme (UNDP) funded a project to assist Zimbabwe in preparing for the WSSD. In order to help Zimbabwe to respond to the WSSD Plan of Implementation, the WSSD project was extended to June 2005.

Audit approach

The Office of the Auditor General (OAG) conducted both performance and financial audits on the UNDP-funded WSSD project and several other UNDP-funded "sister" projects, which include

- a poverty assessment survey,
- a poverty reduction forum, and
- the National Aids Council.

Audit findings

The OAG found that progress was acceptable, but

- there were delays in the disbursement of funds to the implementing agencies, and high staff turnover in some projects, which was threatening the implementation of the WSSD commitments;
- some of the projects did not have quarterly/ annual work plans or progress reports; and
- the audit of 2004 accounts also revealed that some WSSD sister projects were operating without project coordinators, which made it difficult to coordinate activities of the implementing agencies.

Audit challenges and how these could be resolved

While completing these audits, the OAG faced several challenges:

- For the projects without work plans or progress reports, it was difficult to see how effectively they were contributing to the implementation of the WSSD commitments.
- The lack of project coordinators made it difficult to coordinate the audit activities.
- UNDP delayed submitting accounts for audit for the year 2004, which meant that the audit process was delayed by more than two months.
- Due to the large volume of project reports that had to be audited and submitted at the same time to UNDP, the production of the audit reports placed significant pressure on the OAG's office equipment, such as computers and printers.

In order to resolve these challenges, the OAG proposes

- to work closely with UNDP and the implementing agencies to persuade them to submit accounts on time, which would ensure and that the audits were completed on time;
- to progress with interim audits before receiving the final accounts, which would reduce the time spent on final accounts and ensure quick completion even when accounts are submitted late for audit;
- to develop the skills of the auditors by providing training in performance audit; and
- to advise that the relevant ministries fill the project coordinator positions to allow smooth coordination of project activities and ease of audit.

➤ **Audit methodologies for auditing projects to implement commitments**

Donor countries may wish to investigate what proportion of their country's budget is devoted to official development assistance, and whether it is close to the recommended 0.7 percent of gross national product that the Plan of Implementation recommends. Indeed, countries may have pledged to devote more than the recommended 0.7 percent.

Extract from the WSSD Plan of Implementation

Make available the increased commitments in official development assistance announced by several developed countries at the International Conference on Financing for Development. Urge the developed countries that have not done so to make concrete efforts towards the target of 0.7 per cent of gross national product as official development assistance to developing countries.
Paragraph 85a

? Where can I find out more?

The Plan of Implementation reaffirmed the Monterrey Consensus of the *International Conference on Financing for Development* (Monterrey, Mexico March 2002). For more information see: <http://www.un.org/esa/ffd/>

Donor and recipient countries could audit individual aid programmes or projects. For example, the Office of the Auditor General of Canada conducted an audit of official development assistance to water and sanitation projects, in part based on WSSD commitments.

Suggested audit questions include the following:

- How well managed are individual projects?
- Do the projects have project plans?
- Are effective monitoring and reporting systems in place, including performance indicators?
- Is there scope to increase the efficiency of the projects and thus release resources for additional project activities?
- Is it possible to provide measures of success for the projects? (In Zimbabwe they found that it can be difficult to measure performance of the project because some activities are relatively intangible (for example, training workshops as opposed to reforestation).
- Are the environmental aspects of development aid well managed? (The European Court of Auditors found that the European Commission had made only limited progress since 2001 in mainstreaming environmental considerations into its overseas development cooperation.)

European Court of Auditors

Assessment of the environmental aspects of the European Commission's development cooperation

The European Court of Auditors undertook an audit of the European Commission's management of the environmental aspects of its development aid.

Background to the European Commission's approach

The European Commission recognised that the WSSD sought to address both poverty and environment issues. There are two main ways to address the environmental aspects of development cooperation: financing programmes and projects whose principal objective is to improve environmental considerations, and integrating environmental concerns into all other types of projects and programmes (which is referred to as "mainstreaming" environmental concerns).

The European Commission has recently given attention to mainstreaming environmental concerns into development programmes. The Treaty establishing the European Community, amended by the 1997 Treaty of Amsterdam, stipulates that "Environmental protection requirements must be integrated into the definition and implementation of community policies and activities... with a view to promoting sustainable development."

Audit approach

The European Court of Auditors carried out an audit in 2005 of the European Commission's management of the environmental aspects of its development cooperation with Asian and Latin American developing countries, southern Mediterranean countries, and African and Caribbean states. The audit examined whether the Commission had an overall strategy to deal with the environmental aspects of its development cooperation, whether it made adequate management arrangements to implement the strategy, how far the environment had been mainstreamed into its development cooperation, and whether the environment programmes and projects financed by the Commission have been effective.

Audit findings

The Audit found that the Commission needed to establish *a clear and comprehensive* strategy for the environmental aspects of its development aid:

- Although there has been a strategy since 2001, the approach to financing projects and programmes in the environment and natural resources sector has not been addressed.
- The Commission's Action Plan for implementing the strategy has not been systematically implemented, and some planned measures have not been implemented at all.
- The Commission has not carried out an adequate review of the staffing implications of its strategy.
- The Commission has made only limited progress since 2001 in mainstreaming environmental considerations into its overseas development cooperation.

On environment projects:

- The projects examined were relevant to the needs of the beneficiary country and frequently addressed global conservation needs, but project outputs have frequently fallen short of objectives.
- The key factors affecting project effectiveness included overambitious project design, delays in project preparation, limited progress in building institutional capacity, and conflicts between the needs of the local community and conservation objectives.

2.5 Focusing on the delivery of specific WSSD topics

Many SAIs have already audited their countries' approaches to specific issues that were covered at the WSSD, such as energy, water and sanitation, waste, and poverty eradication, but these audits may not have specifically highlighted the WSSD commitments. This guide aims to demonstrate how you could include the WSSD commitments in audits of specific topics.

Why would you focus on the delivery of specific WSSD topics?

Focusing on specific topics discussed at the WSSD is a relatively simple way to audit your country's progress against the WSSD commitments, and one that you could do straightaway.

How would you focus on the delivery of specific WSSD topics?

➤ *Getting started*

The first thing you need to do is to identify which of the WSSD topics you are interested in looking at. (The "Top Tips" section at the end of this guide gives some suggestions for choosing your audit topic.) You should then identify the sections of the WSSD Plan of Implementation that relate to the topic you have chosen. You can then choose which audit approach to use.

Exhibit 4 lists some examples of audits that SAIs have carried out that relate to topics in the WSSD Plan of Implementation. The SAIs did not always use WSSD commitments as a basis for their audits, but Exhibit 4 shows the variety of subjects that could use WSSD commitments in their audit criteria.

➤ *Potential audit approaches*

You could use the WSSD commitment on a particular topic as the basis for an audit. For some issues, the commitments in the WSSD Plan of Implementation are clear enough to be auditable, so you could base an audit on these commitments.

Alternatively, you could use the WSSD commitments on a particular topic as additional audit criteria in a wider audit. If you are currently conducting or planning to conduct an audit that touches upon one or more of the topics in the WSSD Plan of Implementation, you could include WSSD commitments in the audit criteria. The Office of the Auditor General of Canada has used this approach to good effect.

Case Example: Office of the Auditor General of Canada

The Commissioner of the Environment and Sustainable Development indicated in 2004 her intention to "continue to examine progress on selected international commitments, including those from the global summit process."

As a result, each audit team, when it is planning its audit, is required to review commitments from the WSSD that are related to the audit topic, and include commitments that fall within the scope of the audit in the exam plan.

This requirement was first piloted in 2005 audit work.

Exhibit 4: Suggested WSSD topics

What could you audit?	Examples of audits
<p>Example extracts from the WSSD Plan of Implementation on which audits could be based</p>	<p>These audits did not all mention the WSSD, but other SAIs audits of the same topic could use the WSSD commitments as additional audit criteria. Hyperlinks are provided where available.</p>
<p>Water and sanitation</p>	
<p><i>Promote integrated water resources development... the development and effective management of water resources across all uses and the protection of water quality and aquatic ecosystems... Provide access to potable domestic water, hygiene education and improved sanitation and waste management at the household level through initiatives to encourage public and private investment in water supply and sanitation that give priority to the needs of the poor, within stable and transparent national regulatory frameworks provided by governments, while respecting local conditions involving all concerned stakeholders and monitoring the performance and improving the accountability of public institutions and private companies; and develop critical water supply, reticulation and treatment infrastructure....</i> (Paragraph 60)</p>	<ul style="list-style-type: none"> • Since 1996, freshwater has been one of the central themes of the INTOSAI Working Group on Environmental Auditing. The Netherlands Court of Audit produced an INTOSAI publication entitled <i>Auditing Water Issues: Experiences of Supreme Audit Institutions</i>⁵ which summarises the collective experience of SAIs around the world, drawing on the lessons learned from more than 350 audits. Following on from this, The “Focus on Water” home page on the INTOSAI website provides information on how to audit water and water management and may be a useful starting point for SAIs that are planning audits of water issues.⁶ • The Office of the Auditor General of Botswana conducted an audit of the maintenance of urban water supply and major village water supply schemes. • The National Audit Office of China conducted audits of city waste water processing and industrial pollution of water. • The Australian National Audit Office conducted an audit of the administration of the National Action Plan for Salinity and Water Quality. • The Office of the Auditor General of Ethiopia conducted an audit entitled <i>Settlement, water supply, sanitation and waste management</i> in which they reviewed whether the audited agencies had implemented the recommendations from international agreements and treaties. • The Central Auditing Organization of Egypt audited the appropriateness and soundness of drinking water production and distribution. • The Office of the Auditor General of Zimbabwe conducted an audit of provision of water to small towns and growth points by the Zimbabwe National Water Authority.

⁵ [http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainerPub/eng04pu_guidewater.pdf/\\$file/eng04pu_guidewater.pdf](http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainerPub/eng04pu_guidewater.pdf/$file/eng04pu_guidewater.pdf) (available in other languages at: <http://www.environmental-auditing.org/intosai/wgea.nsf/viewStudies>)

⁶ http://www.environmental-auditing.org/intosai/wgea.nsf/viewhtml/water_0main.htm

Exhibit 4: Suggested WSSD topics (cont'd)

What could you audit?	Examples of audits
Energy	
<p><i>Develop and disseminate alternative energy technologies with the aim of giving a greater share of the energy mix to renewable energies, improving energy efficiency and greater reliance on advanced energy technologies, including cleaner fossil fuel technologies.</i> (Paragraph 19c)</p>	<ul style="list-style-type: none"> • The Supreme Audit Office of the Czech Republic conducted an audit of biofuels entitled <i>State financial means intended to support the use of environmentally sound fuels obtained from non-foodstuff use of agricultural land</i>. • The National Audit Office of Estonia conducted an audit entitled <i>Exploitation of Peat Resources</i> which assessed whether the state had organised the use of peat resources for energy in a sustainable way.
Agriculture Forestry	
<p><i>Reverse the declining trend in public sector finance for sustainable agriculture, provide appropriate technical and financial assistance, and promote private sector investment and support efforts in developing countries and countries with economies in transition to strengthen agricultural research and natural resource management capacity and dissemination of research results to the farming communities.</i> (Paragraph 38j)</p> <p><i>Take immediate action at the national and international levels to promote and facilitate the means to achieve sustainable timber harvesting and to facilitate the provision of financial resources and the transfer and development of environmentally sound technologies, and thereby address unsustainable timber harvesting practices.</i> (Paragraph 45d)</p>	<ul style="list-style-type: none"> • The Netherlands Court of Audit conducted an audit entitled <i>Authorisation of Agricultural Pesticides</i>.⁷ • The Office of the Auditor General of Argentina produced an environmental auditing report on the National Institute of Farming Technology. • The State Control of the Republic of Lithuania assessed the use of the State Budget for the Forest Funds Programme.

⁷ [http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainer2/nleng02ar_sm_authoriagriculpesticide.pdf/\\$file/nleng02ar_sm_authoriagriculpesticide.pdf](http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainer2/nleng02ar_sm_authoriagriculpesticide.pdf/$file/nleng02ar_sm_authoriagriculpesticide.pdf)

Exhibit 4: Suggested WSSD topics (cont'd)

What could you audit?	Examples of audits
Fisheries	
<p><i>Urgently develop and implement national and, where appropriate, regional plans of action, to put into effect the international plans of action of the Food and Agriculture Organization of the United Nations, in particular the International Plan of Action for the Management of Fishing Capacity 20 by 2005 and the International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing 21 by 2004. Establish effective monitoring, reporting and enforcement, and control of fishing vessels, including by flag States, to further the International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing.</i> (Paragraph 31d)</p>	<ul style="list-style-type: none"> • The Office of the Auditor's General of Norway conducted an audit of the management of fish resources.⁸ • The National Audit Office of Estonia conducted an audit of <i>Planning and Budgeting of the Fish Reserve Management</i>. • The Supreme Chamber of Control of Poland conducted an audit of <i>Use of Inland Waters for Fishery</i>.
Biodiversity and ecosystem management	
<p><i>Implement programmes to address, where appropriate, deforestation, erosion, land degradation, loss of biodiversity, disruption of water flows and retreat of glaciers.</i> (Paragraph 40b)</p>	<ul style="list-style-type: none"> • The Office of the Auditor General of Canada and the Brazilian Court of Audit are preparing a paper entitled <i>Auditing Biodiversity: Guidance for Supreme Audit Institutions</i>, which will draw upon the experiences of SAIs worldwide.⁹ • The Comptroller General of Peru has now conducted more than 10 audits of ecosystem management, including national parks, river basins and forests. • The Australian National Audit Office conducted an audit of the management of Commonwealth National Parks. • The Office of the Auditor General of Canada examined federal action on a biodiversity strategy. It also examined how well the Parks Canada Agency is managing Canada's natural parks.¹⁰ • The Australian National Audit Office conducted an audit of <i>Referrals, Assessments and Approvals under the Environment Protection and Biodiversity Conservation Act</i>.¹¹ • The Office of the Comptroller and Auditor General of India conducted an audit of the management of protected areas and wildlife. • The Office of the Auditor General of Norway conducted an audit of sustainable use of reindeer grazing resources in Finnmark county.¹²

⁸[http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainer2/noeng04ar_ft_fisheryresources.pdf/\\$file/noeng04ar_ft_fisheryresources.pdf](http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainer2/noeng04ar_ft_fisheryresources.pdf/$file/noeng04ar_ft_fisheryresources.pdf)

⁹ When available, this will be published on the INTOSAI website: <http://www.environmental-auditing.org/intosai/wgea.nsf/viewStudies>

¹⁰ Both audits are published as chapters of the 2005 Report of the Commissioner of the Environment and Sustainable Development: http://www.oag-bvg.gc.ca/domino/reports.nsf/html/c2005menu_e.html

¹¹ <http://www.anao.gov.au/uploads/documents/Audit%20Report%202038-2003.pdf>

¹² http://www.riksrevisjonen.no/NR/rdonlyres/C389CFD8-B9CF-4652-B8EF-E5216B6B3E40/0/Eng_Doc_2_2004_2005.pdf

Exhibit 4: Suggested WSSD topics (cont'd)

What could you audit?	Examples of audits
Waste	
<p><i>Develop waste management systems, with highest priorities placed on waste prevention and minimization, reuse and recycling, and environmentally sound disposal facilities, including technology to recapture the energy contained in waste, and encourage small-scale waste-recycling initiatives that support urban and rural waste management and provide income-generating opportunities, with international support for developing countries.</i> (Paragraph 21a)</p>	<ul style="list-style-type: none"> • The INTOSAI Working Group on Environmental Auditing adopted waste management as one of the central themes of its 2002-2004 Work Plan. The publication <i>Towards Auditing Waste Management</i>,¹³ produced by Office of the Auditor General of Norway, gives an overview of waste management issues and provides SAIs the information they need to conduct audits in this area. Following on from this, the Focus on waste home page on the INTOSAI website provides information on how to audit waste and waste management and may be a useful starting point for SAIs that are planning audits on waste issues.¹⁴ • The Office of the Auditor General of Botswana conducted an audit of the collection and disposal of solid waste. • The United Kingdom National Audit Office conducted an audit of reducing reliance on landfill.¹⁵ • The Office of the Federal Auditor General of Ethiopia conducted an audit entitled <i>Settlement, Water Supply, Sanitation and Waste Management</i>, which reviewed whether the audited agencies had implemented recommendations arising from international environmental agreements.
Poverty eradication	
<p><i>Halve, by the year 2015, the proportion of the world's people whose income is less than \$1 a day and the proportion of people who suffer from hunger and, by the same date, halve the proportion of people without access to safe drinking water.</i> (Paragraph 6a)</p>	<ul style="list-style-type: none"> • The United States has a Millennium Challenge Corporation (MCC) whose mission is to promote economic growth and reduce extreme poverty in developing countries. In 2005, the United States General Accounting Office (GAO) audited the progress made by the MCC on key challenges in its first year of operations. In 2006, the GAO carried out a follow-up audit to examine, for example, the criteria used by the MCC in its due diligence assessments, and the structures established for working with the first three countries.¹⁶ • The United Kingdom National Audit Office conducted an audit on the government's Department for International Development, which assessed its performance in helping to reduce world poverty.

¹³ [http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainerPub/eng04pu_guidewaste.pdf/\\$file/eng04pu_guidewaste.pdf](http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainerPub/eng04pu_guidewaste.pdf/$file/eng04pu_guidewaste.pdf) (available in other languages at: <http://www.environmental-auditing.org/intosai/wgea.nsf/viewStudies>)

¹⁴ http://www.environmental-auditing.org/intosai/wgea.nsf/viewhtml/waste_0main.htm

¹⁵ http://www.nao.org.uk/publications/nao_reports/05-06/05061177.pdf

¹⁶ <http://www.gao.gov/new.items/d06805.pdf>






Exhibit 4: Suggested WSSD topics (cont'd)

What could you audit?	Examples of audits
Changing unsustainable patterns of consumption and production	
<p><i>Develop awareness-raising programmes on the importance of sustainable production and consumption patterns, particularly among youth and the relevant segments in all countries, especially in developed countries, through, inter alia, education, public and consumer information, advertising and other media, taking into account local, national and regional cultural values; develop and adopt, where appropriate, on a voluntary basis, effective, transparent, verifiable, non-misleading and non-discriminatory consumer information tools to provide information relating to sustainable consumption and production.</i> (Paragraph 14d-e)</p>	<ul style="list-style-type: none"> • The United Kingdom National Audit Office conducted an audit of <i>Sustainable Procurement in Central Government</i>.¹⁷
Health	
<p><i>Promote equitable and improved access to affordable and efficient health-care services, including prevention, at all levels of the health system, essential and safe drugs at affordable prices, immunization services and safe vaccines, and medical technology; Provide technical and financial assistance to developing countries and countries with economies in transition to implement the Health for All Strategy, including health information systems and integrated databases on development hazards; Improve the development and management of human resources in health-care services.</i> (Paragraph 47b–e)</p> <p><i>Implement, within the agreed time frames, all commitments agreed in the Declaration of Commitment on HIV/AIDS³⁴ adopted by the General Assembly at its twenty-sixth special session, emphasizing in particular the reduction of HIV prevalence among young men and women aged 15 to 24 by 25 per cent in the most affected countries by 2005, and globally by 2010, as well as combat malaria, tuberculosis and other diseases.</i> (Paragraph 55)</p>	<ul style="list-style-type: none"> • The United Kingdom National Audit Office conducted an audit of <i>Responding to HIV/AIDS</i>.¹⁸ • The General Auditing Chamber of Sudan audited the Strategy to Combat Malaria.

¹⁷http://www.nao.org.uk/publications/nao_reports/05-06/sustainable_procurement.pdf

¹⁸http://www.nao.org.uk/publications/nao_reports/03-04/0304664.pdf


3. Top tips for planning your WSSD audit

-  **The simplest way to undertake an audit of World Summit on Sustainable Development (WSSD) commitments is to factor this into another audit.** If you are currently conducting or planning to conduct an audit that touches upon one or more of the topics in the WSSD Plan of Implementation, you could include WSSD commitments in the audit criteria.
-  **Find out whether your country identified any priority areas for implementation after the WSSD.** You could conduct performance audits on progress in these areas.
-  **Find out which national bodies are responsible for ensuring implementation of WSSD commitments.** If you are auditing or planning to audit their performance, you could include the implementation of WSSD commitments in the audit criteria.
-  **Find out what initiatives are included in the WSSD Plan of Implementation for your region.** Regional initiatives are included in the WSSD Plan of Implementation (Chapter IX) for Africa, Latin America and the Caribbean, Asia and the Pacific, and West Asia; Europe Regional initiatives could help you to identify a suitable starting point for an audit.
-  **Your country's national monitoring processes could be a good place to start your audit. Find out whether your country has reported to the UN Commission on Sustainable Development (UNCSD).** Countries are required to report annually to the UNCSD about sustainable development, so this is a useful way to find out more about its approach to implementing WSSD commitments.

Where can I find out more about what my country has submitted to the UN Commission on Sustainable Development?

Check the National Information pages: <http://www.un.org/esa/sustdev/natinfo/natinfo.htm>
This site provides helpful benchmarks of activity and progress in other countries. It provides links (where applicable) to

- the national information focal point, including names and addresses,
- national sustainable development reports that have been published or submitted to the UNCSD,
- the national sustainable development strategy,
- national indicators for sustainable development, and
- statements and presentations at the UNCSD and the WSSD.

-  **The types of audits you are able to carry out are likely to be constrained by your audit mandate.** Use the table below to find out what types of audit are most suited to your Supreme Audit Institution (SAI), then refer to the appropriate section of this guide for more details on the different audit types.

Audit mandate	Suggested audit type
Financial audit	Financial management of policy / programme implementation for specific WSSD-topic areas Auditing externally funded implementation projects or programmes
Performance audit	Assessing whether delivery mechanisms are in place Tracking action to develop a coordinated response, for example, performance of national bodies / departments / agencies with a responsibility for WSSD implementation Performance in specific WSSD-topic areas
Compliance audit	Compliance with key commitments in the WSSD Plan of Implementation, for example, the creation of a National Sustainable Development Strategy Compliance with international reporting requirements
Comprehensive audit	All or all of the above

Appendix 1—Summary of the WSSD Plan of Implementation

Chapter	Title	Paragraphs
I.	Introduction	1-6
II.	Poverty eradication	7-13
III.	Changing unsustainable patterns of consumption and production	14-23
IV.	Protection and managing the natural resource base of economic and social development	24-46
V.	Sustainable development in a globalizing world	47-52
VI.	Health and sustainable development	53-57
VII.	Sustainable development of small island developing states	58-61
VIII.	Sustainable development for Africa	62-71
IX.	Other regional initiatives	72-80
	A. Sustainable development in Latin America and the Caribbean	73-74
	B. Sustainable development in Asia and the Pacific	75-76
	C. Sustainable development in the West Asia region	77-78
	D. Sustainable development in the Economic Commission for Europe region	79-80
X.	Means of implementation	81-136
XI.	Institutional framework for sustainable development	137-170
	A. Objectives	139
	B. Strengthening the institutional framework for sustainable development at the international level	140-142
	C. Role of the General Assembly	143
	D. Role of the Economic and Social Council	144
	E. Role and function of the Commission on Sustainable Development	145-150
	F. Role of international institutions	151-157
	G. Strengthening institutional arrangements for sustainable development at the regional level	158-161
	H. Strengthening institutional frameworks for sustainable development at the national level	162-167
	I. Participation of major groups	168-170

Appendix 2—List of environmental audits referred to in this guide

A full list of environmental audits worldwide can be found at:
<http://www.environmental-auditing.org/intosai/wgea.nsf/viewAuditsIssue1>

SAI	Year	Name of audit	Web link (where available)
Argentina	2000	Environmental auditing report on the National Institute of Farming Technology	
Australia	2004	The administration of the National Action Plan for Salinity and Water Quality	
Australia	2001	The Management of Commonwealth National Parks and Reserves	
Australia	2002	Referrals, Assessments and Approvals under the Environment Protection and Biodiversity Conservation Act	http://www.anao.gov.au/uploads/documents/Audit%20Report%2038-2003.pdf
Austria	2006	Assessing the Federal Strategy for Sustainable Development in Austria	
Botswana	2004	Maintenance of Urban Water Supply by Water Utilities Corporation	
Botswana	2005	The Implementation of the Major Villages Water Supply by the Department of Water Affairs	
Botswana	2003	The Collection and Disposal of Solid Waste by the Ministries of Environment and Tourism and Local Government	
Bulgaria	2004	Bulgaria's readiness to elaborate a National Development Strategy	
Canada	2005	Progress made by departments on 2002 World Summit commitments (a chapter of the 2005 Report of the Commissioner of the Environment and Sustainable Development)	http://www.oag-bvg.gc.ca/domino/reports.nsf/html/c20050907xe05.html
Canada	2005	Ecological Integrity in Canada's National Parks	http://www.oag-bvg.gc.ca/domino/reports.nsf/html/c20050902ce.html

SAI	Year	Name of audit	Web link (where available)
Canada	2005	Canadian Biodiversity Strategy— A Follow-Up Audit	http://www.oag-bvg.gc.ca/domino/reports.nsf/html/c20050903ce.html
China	2004	City waste water processing and industrial pollution of water	
Czech Republic	2003	State Financial Resources Designated for Support of Utilization of Biofuels Gained from Non-food Use of Agricultural Land	
Egypt	2001	Audit report on the extent of appropriateness and soundness of drinking water production and distribution	
Estonia	2005	Exploitation of Peat Resources	
Estonia	2001	Planning and Budgeting of the Fish Reserve Management	
Ethiopia	----	Settlement, water supply, sanitation and waste management	
European Court of Auditors	2005	Environmental aspects of the European Commission's development cooperation	http://eca.europa.eu/audit_reports/special_reports/docs/2006/rs06_06en.pdf
India	2006	Management of Protected Areas and Wildlife Conservation	
Lithuania	2002	Assessment of Use of State Budget of the Forest Funds Programme	
Netherlands	2002	Authorisation of Agricultural Pesticides	http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainer2/nleng02ar_sm_authoriagriculpesticide.pdf/\$file/nleng02ar_sm_authoriagriculpesticide.pdf
Norway	2004	Study of the Management of Fishery Resources	http://www.environmental-auditing.org/intosai/wgea.nsf/viewContainer2/noeng04ar_ft_fisheryresources.pdf/\$file/noeng04ar_ft_fisheryresources.pdf
Norway	2004	Survey of the Sustainable Use of Reindeer Grazing Resources in Finnmark County	http://www.riksrevisjonen.no/en/WhatsNew/PressReleases/2004/Press_release_Doc_3_12_2003_2004.htm
Peru	2003	Wetlands of International Importance	
Peru	2003	National Manu Park	

SAI	Year	Name of audit	Web link (where available)
Peru	2004	Lurin River Valley and Archaeological Pachamac	
Peru	2005	Alta Mayo protection forest	
Poland	2001	Use of Inland Waters for Fishery	
Sudan	2002	Auditing the Strategy to Combat Malaria	
United Kingdom	2005	Mechanisms for UK delivery on commitments arising from the World Summit on Sustainable Development (2002)	http://www.publications.parliament.uk/pa/cm200405/cmselect/cmenvaud/381/38104.htm
United Kingdom	2006	Reducing reliance on landfill	http://www.nao.org.uk/publications/nao_reports/05-06/05061177.pdf
United Kingdom	2002	Department for International Development—Performance Management Helping to Reduce World Poverty	http://www.nao.org.uk/publications/nao_reports/01-02/0102739.pdf
United Kingdom	2005	Sustainable Procurement in Central Government	http://www.nao.org.uk/publications/nao_reports/05-06/sustainable_procurement.pdf
United Kingdom	2004	Responding to HIV/ Aids	http://www.nao.org.uk/publications/nao_reports/03-04/0304664.pdf
United States	2006	Millennium Challenge Corporation	http://www.gao.gov/new.items/d06805.pdf
Zimbabwe	2005	Audit of WSSD project	
Zimbabwe	2006	Provision of water to small towns and growth points by the Zimbabwe National Water Authority	

Appendix 3—WGEA Resources for SAIs

All the documents referred to in this appendix are available at:
<http://www.environmental-auditing.org>

WGEA meetings and compendia themes

For the past several WGEA meetings, a call for papers has been issued to all SAIs prior to the meeting. From these papers, a compendium is compiled to facilitate information sharing. This list provides the themes of the papers for each year.

11th Meeting of the WGEA—Arusha, Tanzania (25 to 29 June 2007)

- Audits of Global and Regional Environmental Issues
- Audits of Domestic Environmental Issues
- Emerging Topics in Environmental Auditing
- Supreme Audit Institutions' Approaches to Building and Managing Environmental Auditing

10th Meeting of the WGEA—Moscow, Russian Federation (27 October to 1 November 2005)

- Auditing Biological Diversity
- Auditing Climate Change
- Increasing the Impact of Environmental Audits
- Environmental Auditing: Facing the Challenges

9th Meeting of the WGEA—Brasilia, Brazil (30 May to 2 June 2004)

- Environmental Auditing and Biological Diversity
- Concurrent, Joint or Co-ordinated Audits
- Environmental Audit and Regularity Auditing
- Environmental Auditing: Facing New Challenges
- Supreme Audit Institution Approaches to the World Summit on Sustainable Development

8th Meeting of the WGEA—Warsaw, Poland (24 to 27 June 2003)

- Environmental Audit and Regulatory Auditing
- Sustainable Development: The Role of Supreme Audit Institutions
- Water Issues, Policies, and the Role of Supreme Audit Institutions
- Towards Auditing Waste Management

WGEA studies and guidelines

- *Auditing Water Issues: Experiences of Supreme Audit Institutions* (2004)—English, French, German, Arabic
- *Auditing Biodiversity: Guidance for Supreme Audit Institutions* (2007)—English
- *Cooperation Between Supreme Audit Institutions: Tips and Examples for Cooperative Audits* (2007)—English

- *Environmental Audit & Regularity Auditing* (2004)—English, French, Spanish, German, Arabic
- *Evolution and Trends in Environmental Auditing* (2007)—English
- *Guidance on Conducting Audits of Activities with an Environmental Perspective* (2001)—English, French, Spanish, German, Arabic
- *How SAIs May Co-operate on the Audit of International Environmental Accords* (1998)—English, French, Spanish, German, Arabic
- *Sustainable Development: The Role of Supreme Audit Institutions* (2004)—English, French, Spanish, German, Arabic
- *Study on Natural Resource Accounting* (1998)—English, French, Spanish, German
- *The World Summit on Sustainable Development: An Audit Guide for Supreme Audit Institutions* (2007)—English
- *The Audit of International Environmental Accords* (2001)—English, Spanish
- *Towards Auditing Waste Management* (2004)—English, French, German, Arabic

Audits related to environment

Audits and audit summaries from SAIs are available on the WGEA website (in the section “Environmental Audits Worldwide”), listed by environmental issue and by country. Many are available only in their national language.

WGEA / IDI environmental auditing training program

In partnership with the INTOSAI Development Initiative, a two-week training course was created for SAIs. The course was designed by IDI training specialists, has a learner-centred participatory approach, and reflects regional needs. It includes a standardized design for course materials and detailed instructor manuals.

WGEA work plan summaries

2005–2007

Activities and projects focussed on providing guidance, facilitating information exchange and building relationships, and were organized under the following six goals:

1. To expand the number and breadth of environmental auditing tools available to SAIs.
2. To increase information exchange among SAIs and to expand their training in the techniques of environmental auditing.
3. To increase the number of concurrent, joint, or coordinated audits by SAIs.
4. To increase communication of WGEA activities.
5. To increase cooperation between the WGEA and other international organizations.
6. To explore the potential for external funding for the WGEA activities.

Biological diversity was the central theme.

2002–2004

Activities carried out included developing training materials and providing courses in environmental auditing, coordinating environmental audits with other Supreme Audit Institutions (SAIs) related to commitments under the World Summit on Sustainable Development, exchanging information with other SAIs, and preparing environmental auditing papers on such topics as water policy and waste management. Waste management was the central theme.

1999–2001

The “fresh water” theme, first adopted in 1995, continued to be a focus of the Working Group through this period. One of the key issues of this work plan was to emphasize cooperation with the INTOSAI regions in order to effectively cope with environmental issues that are transboundary in nature. Other activities included developing an inventory of international environmental accords and increasing the dissemination of information.

1996–1998

Two specific issues were addressed: audits or coordinated audits of international environmental accords and natural resource accounting. There was also a focus on institutional learning—facilitating the exchange of information and experience between audit institutions, and developing guidelines, methods, and techniques for environmental auditing. “Fresh water” was first chosen as a theme in an attempt to concentrate activities on an issue considered relevant for all countries in all stages of development.