



GREENLINES

A newsletter of the INTOSAI Working Group on Environmental Auditing

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Message from the Chair



Dear INTOSAI WGEA members and other readers,

Last year was eventful for INTOSAI WGEA. The year started with the 22nd Assembly at the Arctic Circle in Rovaniemi, Finland, where we enjoyed the beauty of the winter wonderland. The Secretariat started work on the [11th INTOSAI WGEA survey on environmental auditing](#) and published it in October, and we want to thank all the SAIs that contributed to answering the survey and commenting on the report.

The latest endeavor of WGEA was organizing the 20th Steering Committee Meeting online. We have had online meetings before, but this was a good reminder of the challenges and benefits of such arrangements. This Steering Committee Meeting demonstrated how effectively we can meet the challenges of conducting a virtual meeting, bringing together 18 SAIs from around the world.

The ability to bring together participants from around the world without the need for travel is a great advantage. Beyond the logistical convenience, the environmental benefits are significant; the reduced need for air travel alone saves a lot of carbon dioxide emissions. Videoconferencing creates some emissions, too, but much less than flying. Most of all, online meetings bring considerable cost savings.

Online meetings bring challenges as well, especially with the time differences as those cannot be scheduled to be suitable for all. Thus, I want to thank especially those that attended outside their office hours.

Deciding on whether to meet in person or online is always a balance between cost-effectiveness and the opportunity for spontaneous dynamics and discussions in the sidelines of the meeting. A successful online meeting requires careful planning and strong facilitation skills, as there is a risk that not everyone's voice is heard. It is essential that the event maintains a sense of purpose and unity.

Despite the challenges that an online meeting might have, it can provide a sustainable approach to global connection. Online meetings can benefit the work of INTOSAI WGEA together with in-person meetings, which are also needed. The next in-person gathering of the WGEA is in the beginning of July for the 23rd Assembly in Malta, where discussing ideas and future cooperation interactively can be built on in real-time.

Dr. Sami Yläoutinen, Chair of INTOSAI, Auditor General of SAI Finland

Feature Story: Working with Indigenous Populations

This edition of Greenlines showcases two feature stories from the South Pacific region. Australia's First Nations Audit Program issued its first audit in June 2024, and New Zealand published a report detailing a successful collaboration between regional councils and indigenous groups on freshwater management. See Page 2.

News Briefs from Around the SAI World



Chile: Aquaculture Industry Audit

Czech Republic: Auditing Air Quality

Cyprus: Combatting Climate Change–Water Resource Management

Egypt: Climate Change Activities

Estonia: Forest Management Audit Findings

Finland: Management of Water Resources and Marine Management

United States: Risk-Informed Decision-Making about Environmental Hazards

Briefs start on **Page 9**

WGEA News

Publication of the 11th INTOSAI WGEA survey, and 20th Steering Committee Meeting held in October 2024
See Page 4

Regional News

EUROSAI Updates
See Page 5

PASAI Updates
See Page 7

First Nations’ Contributions in Audit–Audit Office of New South Wales (Australia)

Australia has over 500 First Nations Countries, each with their own unique stories, language, history, culture, kinship systems, traditions, and reciprocal responsibilities to care for Country for over 65,000 years. But this land was declared ‘terra nullius’ when the British arrived in 1788, meaning ‘land belonging to no one’—a fictitious legal doctrine that was overturned by the High Court of Australia in 1992. The highest court in the land recognised First Nations peoples’ enduring and unalienable rights and responsibilities to our land.

In Australia, there are six states and two territories, each with their own Audit Offices, and the Supreme Audit Institution, the Australian National Audit Office. New South Wales (NSW) is the oldest audit institution in Australia, this year celebrating its 200th anniversary. At the time the NSW Audit Office was established in November 1824, there were colonial laws and policies in place which directly aimed at or led to the removal of First Nations children from their families, the incarceration of men and women, the extinguishment of language and culture, and the dispossession of First Nations peoples from their traditional lands over many decades. This dark history has been recognised and an apology issued to the First Nations peoples by the NSW Parliament.

Despite these amends, First Nations peoples continue to experience poorer life outcomes than non-First Nations peoples. First Nations peoples in NSW make up 4

percent of the population. Yet 45 percent of children in foster care, 30 percent of men in custody, 45 percent of women in custody, and 65 percent of youth in custody are First Nations. These statistics are concerning when in 2023–2024, the NSW government spent more than 11 percent of the government’s overall expenditure on the delivery of general services to First Nations peoples.

There have been multiple Parliamentary and independent inquiries, Royal Commissions, research, and investigative work over decades into the reasons behind the statistics. Each time First Nations peoples have contributed to these processes, bearing their testimony to their experiences and putting forward suggestions to government and its agencies about how to work together. However, the reports and related recommendations have yet to shift the trajectory of these statistics and the individual lives they represent. Some independent authorities have noted that for a number of these areas, such as the incarceration of First Nations peoples, the situation is worsening.

Central to changing the approach and the resulting outcomes for First Nations people is self-determination.

Central to changing the approach and the resulting outcomes for First Nations people is self-determination. This means rather than governments imposing services and programs, they devolve decision making, funding, and practices to First Nations peoples to work with and heal their own people using their insights into what works best for their community.

First Nations peoples are fatigued by consultation that does not result in tangible change. Audit Offices have a key role in identifying whether government expenditure is effectively and efficiently delivering improved outcomes for First Nations communities. But they also need to be mindful of cynicism by First Nations peoples about how ‘another report’ will change circumstances in their communities. Audit Offices need to consider how we consult, who we consult, how the information will be used and whether we have permission to use it, and what



Presentation on the First Nations Audit Program’s first audit
(Source: Audit Office of New South Wales, Australia)

expectations First Nations peoples have in contributing to an audit.

In 2022, the NSW Audit Office established a dedicated First Nations team, with a First Nations Audit Program determined in close consultation with First Nations communities. This is driven by a senior First Nations leader and focuses on the key issues impacting First Nations people. The program aims to forge ways of conducting audits that foster genuine partnerships and involvement from the First Nations people of NSW in providing perspectives on issues that affect them and, in doing so, recommendations for tangible improvements.

The first audit we have delivered from this program—*Safeguarding the rights of Aboriginal children in the child protection system*—was tabled in the NSW Parliament on 6 June 2024. The report relied on, and incorporated evidence from, First Nations peoples already on the public record from testimony and submissions provided to previous inquiries. This aimed to avoid placing a consultation burden on First Nations peoples, and the risk of re-traumatisation, in retelling their experiences of the child protection system. The audit also provided opportunities for First Nations governance groups, leaders, and communities across the state who wanted to provide new evidence to the audit to meet with the audit team to provide their evidence orally. The audit team had clear guidelines on how the information would be used and, at the conclusion of the

audit, how it would be fed back to First Nations stakeholders. The government agency responsible for child protection in NSW accepted each of the recommendations and has sought to establish a reform agenda to respond to the issues set out in the report. The report was well received by peak First Nations bodies and reported on in First Nations media and the general media.

The Auditor-General of NSW, Bola Oyetunji, has also committed to a re-audit of the state child protection system for First Nations children and families in his [forward audit program](#). Our office maintains a watching brief in this area and will come back to examine the effectiveness of the government's reforms in response to our audit within 24 months, to ensure positive change is happening.

Audit Offices are independent truth tellers—assessing governments' effectiveness, efficiency, economy, and compliance with the law. But we must also ourselves be effective. If we audit and report our findings, yet see no change in the effectiveness of agencies or the circumstances for First Nations peoples—we need to ask ourselves, how well are we performing?

Carla Ware - First Nations Associate Director - Performance Audit, Audit Office of New South Wales, Australia, carla.ware@audit.nsw.gov.au.

Working with Iwi and Hapū on Freshwater Management in New Zealand—New Zealand Supreme Audit Institution

In May 2024, the New Zealand Supreme Audit Institution published a report on [how well regional councils are working with iwi and hapū \(indigenous groups\) on freshwater management](#).

The report highlights the importance of meaningful and enduring relationships between public organisations and iwi and hapū. In many ways, the report's findings also allowed us to reflect on our own practice.

Strong relationships with indigenous groups make for better audits

Auditors are often required to report on complex topics in a timely way. However, engaging with iwi and hapū during our work on freshwater management showed how



Waitara River, Taranaki, New Zealand (Source: Office of the Auditor-General New Zealand)

Feature Story

taking time to build relationships can lead to a deeper understanding of an issue.

Investing time to visit iwi and hapū where they live, learning about their histories, and letting iwi and hapū knowledge and cultural customs lead engagements enabled the audit team to build a deeper understanding of freshwater issues and how they affect indigenous groups. It also enabled iwi and hapū to speak to the team freely and frankly.

Representing indigenous views requires transparency and trust

Being transparent with the entities we audit is standard practice in performance auditing. It is also critical that, in seeking to represent the views of indigenous peoples, auditors are transparent and open about how they will use the evidence they gather from indigenous groups to inform their findings.

In our work on freshwater management, we shared interview notes and relevant draft findings with iwi and hapū we spoke with. We wanted to make sure that they felt that we had represented their views accurately and fairly. This helped indigenous groups to build trust and confidence in the audit process and strengthened relationships.

Being clear about what the audit could (and could not) achieve was also an important aspect of being transparent.

Indigenous participation in performance audits should be mutually beneficial

It is important to consider how audits can provide value to indigenous groups. This is particularly the case when their participation is voluntary and when they are generous with their time.

In our work on freshwater management, we directed our findings at supporting regional councils to work more effectively with iwi and hapū. We considered that this was how the audit would have value for iwi and hapū.

We also highlighted examples where iwi and hapū were working effectively to deliver positive freshwater outcomes. Working towards relationships that are meaningful and beneficial to indigenous groups is an ongoing focus of our work.

Hamish Duff (Performance Auditor hamish.duff@oag.parliament.nz), Karen Wong, Manager (Performance Audit Practice and Methodology Karen.Wong@oag.parliament.nz), and Lucy Mouland (Senior Performance Auditor Lucy.Mouland@oag.parliament.nz) Office of the Auditor-General New Zealand.

WGEA News

Greetings from the Secretariat

For the WGEA Secretariat, the second half of 2024 has featured busy preparations for the publication of the 11th INTOSAI WGEA survey and the 20th Steering Committee Meeting, in addition to some staff updates within the Secretariat. Nella Virkola, who previously interned at the Secretariat, came to substitute for India Roland in the beginning of August. In September, we welcomed Hanna Antikainen as an intern to the team for the fall of 2024, and welcome Dr. Raisa Ojala in January 2025 to take over for Kati Hirvonen during her leave until the fall of 2025.

In June, **INTOSAI WGEA published its first podcast** episode by the Green Fiscal Policy Tools project on [taxation for green transition](#). In September, the podcast was launched also on [Spotify](#). Following this, another

podcast episode was published, discussing whether and [how SAIs sufficiently consider long-term perspectives in auditing](#).

The **11th INTOSAI WGEA Survey on Environmental Auditing**, the biggest publication of the year, was published in October. The survey gives an overview on the state of environmental auditing globally, as we were able to get responses to the survey from all the INTOSAI regions. It covers general and regional analysis on, e.g., the organization, topics, impact, and challenges in environmental auditing in 2021–2023, and evaluations for 2026–2028.

The **20th INTOSAI WGEA Steering Committee Meeting** was organized during the last week of October

in an online format broadcasted from Helsinki. The 4-day meeting gathered 18 Steering Committee member SAIs and around 40–50 participants daily. The projects under the thematic hubs of the 2023–2025 Work Plan presented their recent developments in the meeting. The current projects will be finalized by the next Assembly, in summer 2025. During the meeting, plans and ideas for the 2026–2028 Work Plan were discussed extensively. SAIs voiced wishes for the continuation of ongoing projects and cooperative audits alike, increasing knowledge-sharing opportunities and reinforcing current initiatives of WGEA.

In terms of other events, WGEA's second half of 2024 began with **ClimateScanner regional workshops** in July and August, organized in Jaipur, India, and Pretoria, South Africa. We also took part in INTOSAI Development Initiative's SAI Innovations Framing Webinar on "Innovating for Climate Change" in August.

The Secretariat has also attended **regional working group meetings**, such as the European Organisation of Supreme Audit Institutions (EUROSAI) WGEA spring and annual meetings in Malta and Azerbaijan, and the 12th Regional WGEA meeting in Canberra, Australia. Secretary General Vivi Niemenmaa also attended the

16th INTOSAI Knowledge Sharing Committee meeting in Nairobi, Kenya, in October. We have also further strengthened our cooperation with SAI Maldives, appointed as Vice Chair of the WGEA in the context of the 22nd Assembly in January earlier in 2024.

INTOSAI WGEA co-organized a side event at **COP29** in Baku, Azerbaijan, on the first results of the ClimateScanner assessment on 14 November, together with the SAIs of Brazil and Azerbaijan. This marked the launch of the results of the first round of the ClimateScanner assessment based on 61 rapid reviews from partaking SAIs.

We began our last year of Chairmanship in the turn of the year! We expect it to be a great one, with a lot of expertise and hard work coming together as outcomes of the current Work Plan!



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X (formerly Twitter): [WGEASecre](#)

LinkedIn: [INTOSAI WGEA](#)

Also find WGEA on: [Spotify](#) | [YouTube](#)

WGEA Regional News

EUROSAI: European Organisation of Supreme Audit Institutions' WGEA Activities in 2024

EUROSAI WGEA (EWGEA) celebrated its 25th anniversary during its Spring Session on 15–17 May 2024 hosted by the National Audit Office of Malta. The EWGEA Chair received many words of appreciation on this occasion, including from both previous EWGEA Chairs: the Auditor General of Norway and the Auditor General of Estonia. In May 2024, with the green light from EWGEA members and its Steering Committee, the Supreme Audit Office (SAO) of Poland applied for a second term of office, presenting the current progress report and the strategic work plan for next three years. The EUROSAI Governing Board and Congress considered the SAO of Poland's efforts—aimed at supporting professional cooperation and facilitating knowledge and experience sharing in EWGEA—and

decided to appoint SAO Poland for a second term of office as the EWGEA Chair. The Secretariat is both honored and grateful to EWGEA Members for their confidence, and we promise to do our best to meet their expectations.

The main topic of the EWGEA Spring meeting in Malta—the auditors' perspectives on energy security—was widely discussed at brainstorming sessions and workshops. The meeting, organised in a hybrid formula, was attended by representatives of the European Commission Directorate General for Climate Action, Adaptation & Resilience, Communication and Civil Society Relations; the European Institute of Innovation and Technology–Knowledge Innovation Community–Climate KIC; the University of Malta; and the Head of

WGEA Regional News

Secretariat of INTOSAI WGEA. In addition, 82 auditors from 31 EWGEA member SAIs attended the meeting, out of which 46 were present in person in Floriana, Malta. During the EWGEA Spring Session, the results of the latest audits on energy security and supply were presented and discussed, including on securing reliable electricity distribution network in Malta, the security of electricity supply in Estonia, and European Court of Auditors (ECA) audits about the following fields: energy security in the context of European Union key policy developments and the security of gas supplies, with a focus on assessment of key risks; energy in light of the Italian Recovery and Resilience Plan; security of supply of energy resources in Poland; cybersecurity in power supply sector and escalating cyberattacks in Norway; securing access to the grid and growing demand for grid access in Norway; the UK government's energy security policies; and an overview of energy security audits in the Netherlands.

SAI Ukraine presented a report on ensuring energy security, including activities of state bodies in determining damages and losses caused by Russian aggression on Ukraine.

Representatives of ECA, SAI Poland, SAI the Netherlands, and SAI Malta moderated workshops on risk assessments for audits in the field of energy security supplies, energy infrastructure security, and challenges of auditing energy security through renewable energy and energy efficiency measures. Potential audit questions were also formulated during the workshops. Perspectives on using climate justice criteria in energy audits were also discussed during an online workshop moderated by auditors from the Netherlands.



EWGEA Spring Meeting – Malta (Source: EWGEA)

DOI Alan Saliba

In June 2024, EWGEA contributed to the ClimateScanner regional training workshop moderated by colleagues from the Brazilian Federal Court of Accounts, in which 40 auditors from 25 European SAIs participated, including EWGEA family members. The outlook of global ClimateScanner assessment was presented by SAI Brazil and ClimateScanner executive group during the UNFCCC COP 29 in Baku, Azerbaijan, in November.



ClimateScanner Regional Training Workshop - Prague (Source: EWGEA)

On 3–4 October, EWGEA held its Annual Meeting in Baku, Azerbaijan, also in a hybrid formula, hosted by the Accounting Chamber of Azerbaijan. The meeting focused on extreme weather events and preparedness strategies and was attended by 81 auditors representing 36 EWGEA SAIs, including 44 auditors in Baku. Introductory presentations were delivered by representatives of the European Commission, the European Space Agency, and the Polish Institute of Meteorology and Water Management, as well as representatives of SAIs. On the second day of the meeting, four workshops were moderated by representatives of the European Court of Auditors, as well as the Czech and Belgian SAIs.

Key takeaways of the workshops were that in the areas particularly exposed to natural disasters, it is most crucial to precisely forecast upcoming extreme events, such as heavy floods, hurricanes, droughts, and increased risk of fires. The condition for minimizing damages caused by disasters are precise and timely forecasts, without which it would not have been possible to send warnings and calls for evacuation from endangered areas.

To be able to meet the challenges posed by the scale of extreme weather events in recent years and prevent damage to people and the environment, advances in

weather prediction technology are crucial. The Annual Meeting of EWGEA in Baku opened discussions on the possibilities of the Copernicus satellite observation program in the field of supporting preparedness, including: forecasting, assessment of risk of occurrence and severity, risk management, and analysis of the removal of the effects of extreme weather phenomena and disasters, given by a representative of the Joint Research Center of the European Commission.

A representative of SAI Hungary presented outcomes and findings of a cooperative audit in relation to Sustainable Development Goals 6.1 and 6.3 conducted by SAIs Poland, Ukraine, Republic of Serbia, Republic of Croatia and Hungary (the audit coordinator) full report [here](#).



EWGEA Annual Meeting - Baku (Source: EWGEA)

More information and presentation links can be found at <https://www.eurosaiwgea.org>.

In 2024, EWGEA continued supporting the Climate Project group, co-chaired by the UK National Audit Office and the European Court of Auditors. The Climate Project group provides regular, informal opportunities for auditors to discuss emerging issues for governments' approaches to climate change and aims to help raise awareness of potential risks and emerging issues and to share good practices. During its first 2024 webinar in February, the group focused on public engagement on climate change with presentations and discussions from the UN Environment Programme and Climate Outreach, a climate communications organisation that works with clients and partners around the world.

During the webinar in September, auditors discussed climate change and emerging issues for auditors. In addition, participants received tips on auditing national action on climate change, crucial sectors and systemic entry points, how and why national policies in climate-relevant sectors have typically fallen short on achieving mitigation and adaptation goals, where the most pressing needs for assessments and evaluations of national climate policies are, what an accountability ecosystem for climate policy could look like, and how climate change councils complement SAIs.

PASAI: SAI Australia and the ACT Audit Office Hosts the 12th meeting of the PASAI Regional Working Group on Environmental Auditing

The Australian National Audit Office (ANAO), in partnership with the Australian Capital Territory (ACT) Audit Office and the Pacific Association of Supreme Audit Institutions (PASAI), hosted the 12th meeting of the Regional Working Group on Environmental Auditing (RWGEA) from 17–19 September 2024 in Canberra, Australia. The hybrid event included participants from across the membership of PASAI and the Australasian Council of Auditors-General (ACAG). The ANAO was also pleased to welcome participation from INTOSAI WGEA, namely representatives from SAI Finland and SAI Maldives.

The event program focused on auditing the blue economy, including oceans and waterways, and climate change and natural disasters. The meeting featured three days of presentations, workshops, and opportunities for networking.

Highlights

Dr. Filimon Manoni, the Pacific Ocean Commissioner, Office of the Pacific Ocean Commissioner, Pacific Islands Forum Secretariat, presented the keynote address. Dr. Manoni highlighted the significance of the ocean and coastal seas to the Pacific way of life, and the connection that Pacific peoples have with the oceanic environment. Dr. Manoni discussed the role of the Office of the Pacific Ocean Commissioner generally and in relation to ocean governance and advocacy of regional ocean priority issues at the various regional and global levels. Dr. Manoni also discussed the many challenges impacting the health and resilience of the ocean, including climate change impacts, pollution and fisheries, and various international conventions designed to support a sustainable oceanic environment.

A series of sessions explored the relationship between independent bodies and the legislature. This information provided participants valuable insights into factors to consider to create impact through environmental auditing. Dr. Sophie Lewis, the ACT Commissioner for Sustainability and the Environment, provided advice to auditors and described the key challenges and successes she has experienced in her role while engaging with parliamentarians. Challenges identified by Dr. Lewis included balancing the multiple interests of statutory office holders and entities who approach parliamentarians with a range of important issues. She also noted the need for patience since progress and action can take time.

A panel discussion explored the role of parliamentary committees and how audit offices can meaningfully engage with committee processes. Panelists included Mr. Benjamin J.F. Cruz, Public Auditor of Guam and former Speaker of the Guam Legislature; Ms. Jenny Adams, Committee Secretary of the Joint Committee of Public Accounts and Audit; Mr. Stephen Palethorpe, Committee Secretary of the Senate Environment and Communications Committee; and Mr. Jonathan Keate, PASAI RWGEA Regional Coordinator. The panelists provided an overview of the role, scope, and dynamics within the legislature across the different jurisdictions. This emphasised the value that audit reports provide to the legislature and to parliamentary committees, noting the importance of balancing the need for awareness of the political context of a parliamentary committee whilst maintaining impartiality.

Dr. Vivi Niemenmaa, Secretary General, INTOSAI WGEA, led a session on environmental auditing focused on the practical aspects of environmental auditing. She explored climate action auditing, including scoping environmental auditing topics. Specifically, she discussed how SAIs select audit topics, and why specific topics should be audited. Dr. Niemenmaa also noted the nexus between climate change mitigation and adaptation, highlighting the potential value in examining mitigation and adaptation together. In addition, attendees worked together to brainstorm environmental audit topics, scope the audit topics they selected, and develop audit questions and criteria.

Knowledge and experience sharing

Throughout the conference, auditing in the blue economy was explored through several excellent presentations. Speakers shared their SAIs' environmental audit activity, including findings and

challenges they experienced. This information provided attendees with valuable insights into common themes that arise across blue economy audits.

A panel discussion featuring Mr. Charles Strickland, Queensland Audit Office; Mr. Risate Baba, SAI Fiji; and Ms. Amelia Pomery, SAI Australia, explored audit quality and environmental auditing challenges. Common challenges included building internal subject matter knowledge by selecting, assessing, and engaging external subject matter experts. Panelists also discussed challenges with auditing complex and potentially contested measures and reporting methodologies, new reporting frameworks, and using new audit methodologies.

Mr. Fery Irawan and Mr. Feisal, SAI Indonesia, presented on the INTOSAI WGEA Sustainability Reporting project led by SAI Indonesia and SAI Thailand. They highlighted the importance and benefits of sustainability reporting, specifically to assist governments in making more responsible decisions and allowing governments to become more accountable for their environmental impact. In addition, they outlined challenges to sustainability reporting, including legal and regulatory challenges, challenges with engagement and expertise, and data and information challenges.

Presentations included recent audits of oceans and waterways and a range of issues relevant to environmental auditing, including Pacific water partnerships, cross-jurisdictional water governance, and sustainable fisheries. Ms. Torise Luagia (SAI Samoa), Mr. Maludrik Maludrik (SAI Marshall Islands), and Mr. Lefata Keli (SAI Tuvalu) also presented on the progress, challenges, and successes of audits conducted as part of the INTOSAI Development Initiative Cooperative Audit of Climate Change Adaptation Actions.

Mr. Jacques Wadrawane, New Caledonia Territorial Audit Office; Mr. Andrew Anderson, New South Wales Audit Office; and Ms. Corinne Horton, SAI Australia, discussed findings from the audit activities on natural disasters of their respective SAI. They discussed common themes and shared their respective SAI advice for auditing natural disasters, including accommodating audits on natural disasters that transcend jurisdictional boundaries.

Excursion

Participants attended a guided tour of the Great Southern Land exhibition at the National Museum of Australia. The tour complemented the meeting themes as attendees

were able to explore the factors contributing to changes in Australia's climate that have occurred over millennia.

About PASAI RWGEA

The PASAI Regional Working Group on Environmental Auditing was formed in 2001 with the support and

encouragement of INTOSAI WGEA. The purpose of the grouping is to encourage and build capacity within PASAI for environmental audits.

For more information, please contact the regional coordinator Jonathan Keate at Jonathan.keate@oag.parliament.nz.

News Briefs from Around the World



Chile

Aquaculture Industry Audit

Chile's aquaculture industry has been a significant contributor to the national economy, particularly in the production of salmon, which has positioned the country as the second largest producer globally. These activities are conducted under a system of concessions that grant use of land and bodies of water for a period of 25 years, renewable for an additional 25 years, provided that the carrying capacity of the ecosystems is respected and there are no grounds for expiry.

The National Fisheries and Aquaculture Service (SERNAPESCA) is responsible for ensuring compliance with the aforementioned concessions while the Undersecretariat for the Armed Forces (SS.FF.AA.) is tasked with enforcing the expiry of concessions in cases of noncompliance. It is essential that both institutions work together to guarantee the effective management of the concessions. However, there have been instances where expired concessions have not been revoked despite the legal deadline having passed, which has led to public concern ([Fundación Terram](#); [BioBioChile](#); [El Ciudadano](#); [Radio Universidad Chile](#)).

Through an audit of these public entities, the Comptroller General of the Republic of Chile found that SERNAPESCA had failed to address key complaints about the expiry of 646 salmon farming centres, indicating a lack of efficiency in its management. SERNAPESCA was unable to evaluate 170 farms that had been inactive for over two years, which could have resulted in the expiration of concessions. Furthermore, the SS.FF.AA. was found to have pending 79 processes of expiration since 2016, which also compromised the efficacy of the monitoring system and allowed certain centers to continue operations. In response, both institutions were required to implement action plans and enhance their coordination within 60 days to resolve these issues.

The full report is available here.

For further information, please contact Paulina Opazo, popazor@contraloria.cl, Katherine Córdova kcordovah@contraloria.cl, or Sergio Pérez sperezc@contraloria.cl.



Czech Republic

Auditing Air Quality

Deteriorated air quality is a Europe-wide problem. According to the European Environment Agency, air pollution is the biggest environmental health risk in Europe. The Czech Republic is still struggling with deteriorating air quality. Long-term emission limits have not been observed on its territory, and in some regions, they have even been significantly exceeded. This has a negative impact on the health of the population.

The Supreme Audit Office (SAO) of the Czech Republic verified the provision of funds from the state budget and the European Union for projects aimed at improving air quality in the total amount of 640 million euros. The SAO audited whether these funds were spent effectively and in accordance with legal regulations. Among others, the SAO focused on how the funds provided by the Ministry of Environment (MoE) contributed to the emission reduction of air pollutants and whether the goals adopted by the Czech government in the area of air quality protection were met.

Seventy-eight percent of the funds were spent on replacements of non-compliant household boilers in households. The MoE supported 111,000 exchanges that contributed to improving air quality. However, according to information from the MoE, more than 150,000 non-compliant boilers remain in operation.

The MoE also spent 120 million euros on reducing emissions from industry. The SAO found that the MoE inappropriately spent a part of the funds intended for reducing industry dust inappropriately. Although industry is a significant source of air pollution with sulphur dioxide and nitrogen oxides, the funds spent

contributed to reducing these emissions only minimally—by less than one percent.

In 2020 and in the following years, some air pollution limits continued to be exceeded, especially in two parts of the country, which has a negative impact on the health of the population.

During the audit, the SAO conducted quantitative research among the recipients of subsidies intended for the replacement of household heating sources. The survey confirmed that one of the main motivations for purchasing a new heating source was the possibility of receiving a subsidy.

The full report is available on:

https://www.nku.cz/assets/kon-zavery/K23007_en.pdf

For further information, please contact Sylva Müllerová or Michal Rampír at sylva.mullerova@nku.cz or michal.rampir@nku.cz



Cyprus

Combatting Climate Change— Water Resource Management

To assist SAIs in delivering a relevant audit response to climate change, the INTOSAI Development Initiative and WGEA have agreed to collaborate in facilitating a global audit of climate change adaptation actions. The SAI Cyprus audit, conducted within that framework, aims to assess the current state of water resource management in Cyprus and determine whether the actions promoted by the Republic of Cyprus for water management are adaptive to the climate crisis and have been designed and implemented in an economical, efficient, and effective manner.

According to preliminary audit findings, climatic factors such as rising temperatures, changes in rainfall patterns, increased evapotranspiration, and the higher frequency and duration of droughts have affected the availability and quality of natural water resources in Cyprus, despite the measures the country has taken to adapt to climate change. A significant percentage of rainfall (86 percent-90 percent) in Cyprus continues to be lost through evaporation, and the country has exhibited a water deficit balance even after utilizing non-conventional water resources. Cyprus' limited water resources are vulnerable to the impacts of climate change, with groundwater bodies under pressure due to excessive extraction and seawater intrusion in coastal areas.

Drinking water needs are largely covered by the operation of desalination plants, though at significant financial and environmental costs, as these operate on conventional fuel, therefore creating an increase in greenhouse gas emissions. Also, the good condition of the aquifers is a key issue, in order to ensure water supply in mountainous areas where it is very difficult to transfer water from desalination plants.

The sector most affected by this situation is agriculture. Irrigation needs are not always met, as water reserves (natural surface water and non-conventional sources) are prioritized for meeting the country's drinking water needs, while groundwater bodies are strained by agricultural withdrawals. Therefore, there is an urgent need to shift towards drought-resistant and/or less water-demanding crops.

Another key issue to consider is the need to ensure the good condition of the dams' and aquifers' protection zones, as they significantly impact water quality.

Regarding strategic planning, delays were observed in the preparation and/or updating of specific strategic and management plans.



Egypt

Climate Change Activities

His Excellency Counsellor, Mohamed Al-Faisal Youssef, assumed his duties as President of the Accountability State Authority (ASA) of Egypt on the 7th of August 2024. His Excellency prioritizes existing partnerships between the ASA and its counterparts in different countries in order to promote areas of cooperation as well as exchange knowledge and expertise, aiming to achieve more significant and influential steps in the field of environmental auditing to address the complex challenges. The ASA is a member of the INTOSAI WGEA Steering Committee and is deeply concerned about the far-reaching consequences of climate change on societies and economies worldwide.

The ASA has recently joined the membership of the Executive Group of the ClimateScanner Project. We look forward to making a significant and effective contribution to this project through our expertise in the field. Furthermore, we aim to promote effective climate action, enhance transparency, and support sustainable development.

The ASA of Egypt participated in the international webinar on "Sustainable Transport" organized by International Centre for Environment Audit and Sustainable Development at Jaipur, India. The event was held in two batches on the 17th and 18th of September 2024. The goal of this webinar was to support capacity building efforts and emphasize the importance of continuous professional development for auditors. The webinar aimed to clarify the concept of sustainable transportation and the significance of public transportation in enhancing citizens' quality of life. It highlighted the governments' efforts in providing supporting infrastructure to achieve sustainable transport which could serve as valuable lessons for countries striving to achieve sustainable transport goals. It is also worth noting that the ASA of Egypt participated in the virtual webinar organized by the INTOSAI Development Initiative (IDI) for SAIs, entitled "Innovation for Climate Action" that was held on the 20th and 21st of August 2024. The webinar deepened discussions on innovations in addressing climate change, focusing on government actions and the role of SAIs. These events are considered part of IDI's SAI Innovations Initiative, which fosters innovation and continuous professional development at both personal and organizational levels.



Estonia

Forest Management Audit Findings

Half of Estonia's territory is covered with forest, almost 30 percent of which is protected. Evaluation of Natura habitats showed that the condition of two out of ten protected Natura forest habitat types is poor. Therefore, the National Audit Office of Estonia (NAOE) decided to audit forest management.

The first audit (2023) focused on forest management in protected areas and concluded that preservation of natural values was not secured due to several reasons. The audit showed that the authorities did not have reliable data on how much of an overall forest area is under protection, the total area of annual felling, or the impact of felling on natural areas. The audit found that protection conditions had lessened over the years, preventing the limited management protected forest zones from functioning as buffer zones protecting the special management zones, which are under stricter protection.

NAOE selected a sample of 10 felling cases in protected sites. Experts were invited to analyse the impact of felling on nature values in these sites. The audit found that permits were issued without environmental impact assessments, felling was not always carried out according to the permits, and in some cases, subsidies for maintaining good status of Natura habitat were paid even after areas were clear-cut. NAOE's recommendations directed authorities to improve the forest register to ensure better information about forest conditions and felling. NAOE emphasised the need to evaluate the impact of felling on natural values and, if needed, to decline permits or set limitations accordingly.

NAOE is currently conducting a follow-up audit on this topic.

NAOE's second audit (2024) focused on the State Forest Management Centre (SFMC). This audit focused on SFMC's long-term contracts with forest companies. NAOE found there was no common understanding of how to assure that negotiated prices are in line with the timber market price, as required by law. The audit demonstrated that the prices in long-term contracts varied significantly and that long-term contract partners were treated differently without justification. NAOE advised authorities to conclude the long-term contracts based on competition, such as through a public auction, and to establish a methodology for finding the market price for timber.



Finland

Management of Water Resources and Marine Environments

NAO Finland audited the steering, financing, and effectiveness of the management of water resources and marine environments. The most important problem in Finnish water bodies and marine areas is eutrophication caused by nutrient loading. Agriculture is a major contributor of the nutrient loading.

The purpose of the audit was to examine whether the Ministry of the Environment and the Ministry of Agriculture and Forestry have succeeded in reducing nutrient loading from agriculture economically, efficiently, and effectively through river basin management, marine strategy planning, and related financial programmes. The audit concluded that the impact of the river basin management and marine strategy planning on the financing of the measures is

limited. Moreover, the objectives of reducing nutrient loading from agriculture have been unclear.

Cost-effectiveness has not had a significant role in the selection and planning of measures for implementing the plans. For example, erosion control measures under the agri-environmental programme of Finland's Common Agricultural Policy (CAP) Strategy Plan have not been applied cost-effectively in terms of nutrient load reduction. Particularly in the areas of concentrated animal production, the use of phosphorus still exceeds the need of cultivated plants, due to the accumulation of manure. The restrictions of phosphorus fertilisation defined in the Phosphorus Decree (2023) still partly exceed the needs of the plants, the compliance monitoring is challenging, and the allowed exemptions in the use of manure enable over-fertilization.

The Ministries have not produced comprehensive and systematic monitoring data on the effectiveness of the implementation of the water basin and marine strategy plans and related financial programmes. Therefore, they have not been able to convincingly communicate the effectiveness of these programmes.

View the report online. For more information: Principal Performance Auditor Pekka Salminen pekka.salminen@vtv.fi.



United States

Risk-Informed Decision-Making about Environmental Hazards

In September 2024, GAO issued a framework for risk-informed decision-making to facilitate decisions related to environmental hazards. The framework provides an approach for decision-making that considers trade-offs among risks to human health and the environment, cost, and other factors in the face of uncertainty. The framework also considers diverse stakeholder and government perspectives.

Risk-informed decision-making can be applied to many scales and types of decisions about environmental hazards such as air and water pollution, nuclear and hazardous waste management, and workplace exposure to toxic materials. Government agencies that manage or oversee decision-making processes related to human health and environmental risks posed by environmental hazards can use the framework as a guide for ensuring that these processes result in risk-informed decisions that are effective and credible. By applying the framework, government agencies may be better positioned to effectively set priorities and direct their limited resources to address those priorities. The framework can help agencies apply a defensible method for weighing numerous inputs, comparing options, and implementing decisions.

The report is available at [GAO-24-107595](#). For more information, contact Amanda Kolling at kollinga@gao.gov.

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