

Enhancing collaboration between Supreme Audit Institutions and Anti-Corruption Bodies in preventing and fighting corruption: **A Practical Guide**



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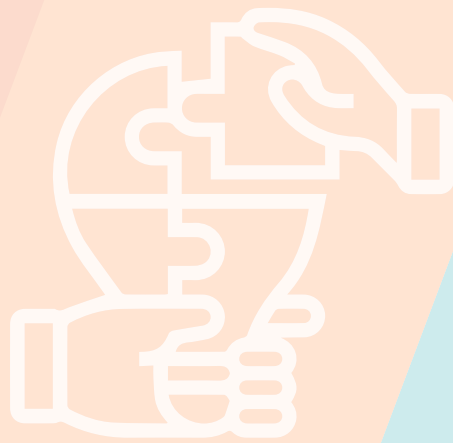
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FOREWORD



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Corruption is a serious threat to the development efforts of all countries, and the devastating effects of misused public funds have a direct impact on the well-being of all citizens. Far too often, it is society's most vulnerable who are impacted the most, across the globe.

The United Nations Convention against Corruption (UNCAC) emphasizes the importance of coordinated action in countering this crime. Government authorities, regulatory bodies, legislatures, the private sector and civil society all have a critical part to play. As the backbone of global efforts to tackle corruption, the centrality of collaboration was most recently highlighted in the Political Declaration which was adopted by the General Assembly at its first-ever special session against corruption in 2021.

That States parties to UNCAC continue to recognize the importance of collaborative actions is encouraging, as are efforts to enhance cooperation between Supreme Audit Institutions (SAIs) and Anti-Corruption Bodies (ACBs). These institutions, and their role in promoting integrity, accountability, transparency and the proper management of public affairs and public property, are now well-recognized, as evidenced by the provisions of resolutions adopted at both the eighth and ninth sessions of the Conference of the States Parties to UNCAC.

The COVID-19 pandemic has confirmed the undeniable need for stronger coordination and cooperation between countries and agencies in detecting and preventing corruption.



Harib Al Amimi
President
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While governments rightfully adopted a wide range of emergency measures to enable a timely response to the pandemic, with those came increased risks of corruption and fraud in public spending.

Working with national authorities to prevent corruption in the allocation, distribution and management of public funds is a priority for UNODC, the State Audit Institution of the United Arab Emirates and the International Organization of Supreme Audit Institutions (INTOSAI). This is being put into practice under the Abu Dhabi Declaration Programme, an integral part of the UNODC Global Programme to Prevent and Combat Corruption. Experts from SAIs and ACBs from across the globe are being brought together to share good practices and practical materials are being developed to strengthen the links between audit and anti-corruption professionals.

A key resource to strengthen this cooperation between different bodies is this latest tool, "Enhancing Collaboration between Supreme Audit Institutions and Anti-Corruption Bodies in Preventing and Fighting Corruption: A Practical Guide". Developed through inputs and contributions from more than 100 experts from across the globe, the Practical Guide reflects an array of different jurisdictions and institutional frameworks. By strengthening the understanding of practitioners, providing practical advice on how to build and enhance the working relations between institutions, and informing them about the benefits of greater collaboration, it is our hope that this will prove to be a useful tool for SAIs and ACBs in their efforts to more effectively prevent and combat corruption.

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ACRONYMS AND ABBREVIATIONS

AAACA	African Association of Anti-Corruption Authorities
AFROSAI	African Organization of Supreme Audit Institutions
AFROSAI-E	Member-based institution with 26 SAIs from English-speaking African countries
ARABOSAI	Arab Organization of Supreme Audit Institutions
ASOSAI	Asian Organization of Supreme Audit Institutions
CAROSAI	Caribbean Organization of Supreme Audit Institutions
CEB	Corruption and Economic Crime Branch, UNODC
CREFIAP	Member-based institution with 22 SAIs from French-speaking African countries
CoSP	Conference of the States Parties to the United Nations Convention against Corruption
CTCT	Technical Commission for the Fight against Transnational Corruption, OLACEFS
EACN	European Contact-point Network against Corruption
EAAACA	Eastern Africa Association of Anti-Corruption Authorities
ECOSOC	United Nations Economic and Social Council
EPAC	European Partners against Corruption
EUROSAI	European Organization of Supreme Audit Institutions
GDPR	General Data Protection Regulation of the European Union
IAACA	International Association of Anti-Corruption Authorities
IFFP	INTOSAI Framework of Professional Pronouncements
IGET	INTOSAI Global Expert Team
INTOSAI	International Organization of Supreme Audit Institutions
ISSAI	International Standards of Supreme Audit Institutions
OLACEFS	Organization of Latin American and Caribbean Supreme Audit Institutions
PASAI	Pacific Association of Supreme Audit Institutions
UNCAC	United Nations Convention against Corruption
UNODC	United Nations Office on Drugs and Crime
WGISTA	Working Group on Impact of Science and Technology on Auditing

INTRODUCTION

Background

Corruption is devastating and pervasive, resulting in major financial and social costs across the globe and impacting countries, institutions, and people alike – without exception.

It impedes development, as resources for much-needed investments in infrastructure, education, health, and other services are misused. It costs countries billions of dollars annually in lost investment and business revenue, with companies unwilling or unable to absorb illicit increased operating costs. And it has a dangerous social impact, through the weakening of institutions and the erosion of public trust, the burden of which is often disproportionately placed on the poor and marginalized.¹

So, what can – and is – being done?

UNCAC and the SDGs: Universal commitments uniting the world against corruption

The international community recognizes this devastating impact of corruption and has sought to address this through the first and only global anti-corruption legal instrument – the United Nations Convention against Corruption. First adopted in 2003, and now with 189 States Parties², the near-universal adherence to the Convention reflects the global recognition of the importance of good governance and accountability, as well as political commitment to work across borders to better track, investigate and prosecute cases of corruption.

Elsewhere, the acknowledgement of the impact of corruption on development has been further, with the adoption by all United Nations Member States of the Sustainable Development Goals. Providing “a shared blueprint for peace and prosperity for people and the planet, now and into the future”, the SGDs directly identified corruption as a major inhibitor of sustainable development. While cutting across all the Goals, SDG 16 in particular speaks to this, requiring States to “promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels”. Among others, reducing illicit flows, strengthening the recovery and return of stolen assets, substantially reducing corruption including bribery, and developing effective, accountable, and transparent institutions are all explicitly flagged.³

¹ Boehm, Frédéric, Sierra, Erika (2015), “The gendered impact of corruption”. Chr. Michelson Institute, U4 Brief 2015 :9. Available at: <https://www.cmi.no/publications/5848-the-gendered-impact-of-corruption>

² As of August 2022.

³ Transforming our World: the 2030 Agenda for Sustainable Development, General Assembly resolution 70/1, Sustainable Development Goal 16, targets 16.4, 16.5 and 16.6.

What constitutes a corrupt offence?

- **Active bribery** - the promise, offering or giving to a national public official, a foreign public official or an official of a public international organization, directly or indirectly, of an undue advantage, in order to act or refrain from acting in matters relevant to official duties.
- **Passive bribery** - the solicitation or acceptance by a national public official, a foreign public official or an official of a public international organization, directly or indirectly, of an undue advantage, in order to act or refrain from acting in matters relevant to official duties.
- **Embezzlement** - theft, diversion or misappropriation of property, funds, securities or any other item of value entrusted to a public official in his or her official capacity.
- **Bribery in the private sector** - active or passive bribery, directly or indirectly, to or by any person who directs or works, in any capacity, for a private sector entity, to act or refrain from acting in breach of his or her duties.
- **Embezzlement of property in the private sector** - embezzlement by any person who directs or works, in any capacity, for a private sector entity.
- **Abuse of functions** - performance of, or failure to perform an act, in violation of the law, by a public official in order to obtain an undue advantage.
- **Trading in influence** - abuse of a public official's real or supposed influence with an administration, public authority or State authority in order to gain an advantage or influence particular outcomes.
- **Illicit enrichment** - a significant increase in assets of a public official or that cannot reasonably be explained as being the result of his or her lawful income.
- **Money laundering** - the concealment of the origins of proceeds of crime, often by means of conversion or transfers involving foreign banks or legitimate businesses.
- **Concealment** - hiding or continued retention of property, knowing that it has resulted from corruption.

Source: United Nations Convention against Corruption, articles 15-24

Enhancing anti-corruption collaboration between SAIs & ACBs

While there is no universal definition of corruption, UNCAC recognizes that it takes many different forms and that its consequences have cross-border dimensions. Accordingly, States parties are called upon to criminalize a range of corrupt conduct, such as bribery, trading in influence, abuse of functions, and various acts of corruption in the private sector, some of which are non-mandatory offences (see information box). They are also called upon to apply sanctions to natural and legal persons who engage in corruption, as well as related criminal justice provisions, such as those to protect witnesses and reporting persons. Additional measures apply in the area of law enforcement.⁴

⁴ United Nations Office on Drugs and Crime (2004), United Nations Convention against Corruption. New York. Available at: https://www.unodc.org/unodc/en/corruption/tools_and_publications/UN-convention-against-corruption.html.

Given this broad range of offences and requirements in the field of criminalization and law enforcement, it is critical to recognize that all parts of society have a unique yet complementary role to play in tackling corruption. Crucially, this includes Supreme Audit Institutions (SAIs) and their relationship to National Anti-corruption Bodies (ACBs).

While traditionally not considered central entities within this area, SAIs and their role have increasingly – and rightfully – been recognized in international anti-corruption fora. At the 8th session of the Conference of the States Parties to the United Nations Convention against Corruption (CoSP8), Resolution 8/13 was adopted, calling for enhanced collaboration between SAI's and ACB's to more effectively prevent and tackle corruption. This resolution, and its subsequent discussions at CoSP9, underscore the critical role of SAIs and their relationship with ACBs in promoting integrity, accountability, transparency, and the proper management of public affairs and public property.

This recognition comes at a highly relevant moment in time. With vast amounts of resources allocated towards COVID-19 crisis response and recovery efforts – often with weak or insufficient oversight and accountability measures – the pandemic created opportunities for corruption to thrive and exposed the need to be better prepared in times of crises. For UNODC, working with governments and others to prevent corruption in the allocation and distribution of emergency economic response packages in the context and aftermath of the COVID-19 pandemic has become a top priority.

Part of this approach is to assist in strengthening the role of SAIs and ultimately improving their cooperation with ACBs to more effectively prevent and counter corruption. To facilitate this, UNODC has been actively collaborating with the International Organization of Supreme Audit Institutions (INTOSAI), bringing together experts from SAIs and ACBs from across the globe, to develop practical materials, strengthen the links between audit and anti-corruption professionals, and ultimately enhance this cooperation.

Effectively tackling corruption requires concerted action and coordination to ensure that all parties work in tandem towards a common goal. Accordingly, the work of ACBs must be aligned in scope and supported by the work of other institutions that may play a part in the prevention, detection and tackling of corrupt practices. Crucially, this includes SAIs, whose role in monitoring the effective management of public resources and ensuring transparency and accountability, makes them a pivotal entity in the policy response against corruption.⁵

⁵ Reichborn-Kjennerud, Kristin, et al. (2019). Sais work against corruption in Scandinavian, South-European and African countries: An institutions analysis. The British Accounting Review.

How to use this Guide

The purpose of this guide is to give practical advice on how to build and enhance the working relationships between SAIs and ACBs within countries and at a regional and global level. It can be used as an analytical tool to assess the opportunities for collaboration between the national SAIs and ACBs on anti-corruption matters.

This guide is split into six parts:

01 Part One

Understanding the stakeholders and national institutional frameworks

aims to help stakeholders involved in the prevention and fight against corruption understand the national institutional framework of SAIs and ACBs, this serves three purposes:

- To gain an understanding of the various national stakeholders and actors involved in preventing and fighting corruption in the country. This understanding will help identify the various roles and responsibilities assigned, as well as the potential opportunities for co-operation that may arise from this distribution;
- To understand challenges inherent in the national framework which may need to be overcome to enable improved co-operation between SAIs and ACBs. The identification of the challenges and the related intervention to overcome them may be a precondition for the implementation of many of the other actions suggested in the subsequent sections of the guide;
- To assist practitioners in understanding the different forms of collaboration and how these may be achieved in their respective systems.

This is important as the national institutional structures vary dramatically, and while the ultimate objectives may be the same, the routes taken to achieve these objectives and the relevant good practices may differ substantially.

To gain most value from this guide, policymakers, practitioners or other relevant public sector organizations should complete the institutions' matrix and perform the short diagnostic included in Part One before reading the subsequent sections. While the institutions' matrix focuses on the institutional mapping, the diagnostic tool helps assess which institutions are responsible for the different anti-corruption functions (based on UNCAC) and how to move towards setting up a collaboration amongst these institutions or advancing the current collaboration between the SAI and the ACBs.

Parts Two, Three and Four consider the operational paragraphs of UNCAC laying out a vision for what best practices would look like in terms of prevention, enforcement and international cooperation. Part Five provides information and opportunities for collaboration in the area of knowledge and capacity-building activities, while Part Six encourages the use of ICTs to prevent and detect corruption, as well as to improve communication and support the efficient collection and processing of data.

02 Part Two

Prevention

is focused on the prevention-based chapter of UNCAC, namely chapter 2, targeting how SAIs can co-ordinate with ACBs as contemplated under article 6 UNCAC.

03 Part Three

Enforcement

focuses on the enforcement-based chapters of UNCAC, namely chapters 3, 4 and 5, targeting how SAIs and ACBs can better coordinate with each other as contemplated under article 36 UNCAC and including elements on international co-operation and asset recovery.

04 Part Four

International Cooperation

is directed towards showcasing examples of good practice in the collaboration between agencies at an international and regional level to step up the fight against corruption or to foster sharing of expertise and good practices.

05 Part Five

Capacity and Knowledge Building

focuses on capacity-building and knowledge-sharing initiatives between SAIs and ACBs, as well as public outreach activities intended to educate and enhance transparency.

06 Part Six

Use of ICTs

focuses on the use of information and communications technology (ICTs). As advances in this area are so rapid this part provides a snapshot of the status quo as of early 2022 discussing how ICTs can be used to support UNCAC implementation and providing examples of good practices. The reader should use this section to determine where it would be appropriate to use ICTs, understand the pre-conditions necessary for the successful use of ICTs and potentially identify SAIs and ACBs in other countries that can share lessons learnt in this area. This section will be developed as a living document.

While it is strongly recommended that countries should work towards all best practices recommended, available resources may entail further prioritization. This prioritization should be based on an analysis of the current status in each best practice area together with resources required to move towards best practice and national priorities.



Part 01



Understanding stakeholders and national institutional frameworks

Introduction and vision

This part focuses on assisting the reader to understand the institutional framework in their country. The section starts with a description of the main types of SAIs and ACBs and further provides the reader with a diagnostic tool which supports the identification and characterization of the national institutional framework.

This guide focuses on **three key elements** of the national institutional framework to combat and prevent corruption:

- **The supreme audit institution;**
- **The bodies contemplated under articles 6 (Preventive anti-corruption body or bodies) and 36 (Specialized authorities) UNCAC, if not already covered by the supreme audit institution; and**
- **Any other bodies to which SAIs and bodies contemplated under articles 6 and 36 UNCAC report.**

This Guide assumes that the ideal situation is one where there are no constraints that prevent the SAI and the ACB(s) from working together.

Supreme Audit Institutions (SAIs)

The role of public sector auditing is defined by principles and standards set by the International Organization of Supreme Audit Institutions (INTOSAI) through the [Professional Pronouncements](#) of Supreme Audit Institutions (IFPP/ISSAIs). A supreme audit institution (SAI) is a public body of a state or supranational organization which exercises, by virtue of law, or other formal action of the state or the supranational organization, the highest public auditing function of that state or supranational organization in an independent manner, with or without jurisdictional competence. A supranational organization is an international organization, or union, whereby member states transcend national boundaries or interest and share a wide range of powers including law-making, adjudication and enforcement and vote on issues pertaining to the wider group.⁶ Auditing reinforces accountability as it legitimizes the information on which financial and formal accountability relies. Therefore, SAIs help public institutions act in accordance with the principles of accountability and integrity, improve their performance and earn legitimacy and trust of citizens.⁷ On the grounds of their oversight function, SAIs foster a conducive environment for good governance.⁸ The role of overseeing the conduct of public sector entities places SAIs in a unique position to recommend effective internal controls that contribute to the prevention of corruption. This is also consistent with the assumption that improved and higher quality auditing in the public sector has an amplified result in reducing the levels of national corruption.⁹ Additionally, the SAI's role and activities may allow it to detect acts that are corrupt or present a risk of corruption.

The power to prevent and fight corruption depends on the (constitutional) legal mandate of the SAI and its audit competence. The legal mandates of SAIs, while differing from country to country often do not include specific anti-corruption functions. Nevertheless, the existence of corruption in governments increases the risks that government activities may not be performed in compliance with established laws, regulations, processes or in observance of the public interest and such risks have a direct effect of the auditing of compliance conducted by SAIs. Many SAIs may come across corruption in the course of their audits and may have a role in reporting, following up on such issues and, in some cases, sanctioning the responsible parties.

⁶ United Nations Economic and Social Commission for Western Asia. Supranational organizations. Available at: <https://archive.unescwa.org/supranational-organizations>

⁷ Assakaf, Ebrahim Ahmed; Samsudin, Rose Shamsiah; Othman, Zaleah (2018). Public Sector Auditing and Corruption: A Literature Review. Asian Journal of Finance & Accounting, vol. 10, no. 1.

⁸ <https://www.idi.no/work-streams/well-governed-sais/past-initiatives/sfc>

⁹ DiPietro, William P. (2011). The Corruption and the Quality of Auditing Standards. Asian Economic and Financial Review, 1(3), pp. 120-123.

INTOSAI is an autonomous, independent, professional and non-political organization established as permanent institution to provide mutual support to SAIs; foster the exchange of ideas, knowledge, and experiences; act as a recognized voice of SAIs within the international community; provide high quality auditing standards for the public sector; promote good governance; and foster SAI capacity development and continuous performance improvement.¹⁰

INTOSAI develops and maintains the IFPP to help support the effective functioning of SAIs in the public interest. The independence of SAIs is one of the core principles presented in the IFPP. This principle is enshrined in the Lima Declaration of Guidelines on Auditing Precepts, also known as the Lima Declaration, adopted by the IX International Congress of INTOSAI in Lima in 1977, which regulates the principle of independence of government auditing. The Lima Declaration is presented in the IFPP as a founding principle.¹¹ In addition to the Lima Declaration, the Mexico Declaration, adopted at the XIX Congress of INTOSAI in Mexico in 2007, elaborated on the topic of SAIs independence setting eight core pillars underpinning the independence of external government auditing. SAIs strive to perform their work in compliance with the requirements presented in the IFPP. Effective and independent SAIs can make a valuable contribution to the fight against corruption.¹²

As a public institution, it is also important that SAIs lead by example in the fight against corruption. ISSAI 130, for example, requires all SAIs to have and implement a code of ethics to ensure ethical behavior.¹³

INTOSAI operates under the assumption that there can only be one SAI in each country and, in instances where there may be multiple organizations involved, it is the responsibility of that country to determine which institution it wishes to register as the SAI. SAIs involved in external public audit, may be classified in primarily two different models: (i) the Westminster or Parliamentary model, and (ii) the Judicial or Napoleonic model. In addition, the SAI and the ACB functions may sit in one or in multiple institutions. The legal tradition of a country affects the choice of an organizational model, the way a SAI is structured, and its place in the public administration structure. It is therefore essential to understand the structure and legal mandate of the SAI when evaluating how it can contribute to the fight against corruption.

With the development of international standards for SAIs and thanks to international fora for cooperation, such as INTOSAI, SAIs have developed and the distinction between the various models often become blurred. In addition, SAIs reflect the cultural, legal and political traditions of individual countries, resulting in variations of a precise model. Despite this variation, however, most SAIs broadly follow one of the two models outlined below.¹⁴

It should, however, be noted that these groups are not homogenous and it is sometimes not easy to place a SAI in one of the two categories as it may have characteristics of more than one model or unique characteristics; furthermore, some SAIs have evolved from one model to another. The Board or Collegiate model is an example of SAIs that have characteristics common to the judicial and the parliamentary model. Another example is the Executive model, in which the SAI is part of, and reports to, the executive branch.

A final example is that of the Mixed model which, as is implied by its name, has adopted various characteristics from all of the aforementioned ones, including in many instances, a mandate to investigate alleged corruption offences and financial violations.

¹⁰ <https://www.issai.org/about/>

¹¹ International Organization of Supreme Audit Institutions (1977). *Lima Declaration on Auditing Precepts*. Available at: https://www.intosai.org/fileadmin/downloads/documents/open_access/INT_P_1_u_P_10/issai_1_en.pdf

¹² More information on INTOSAI in Annex 1.

¹³ <https://www.idi.no/work-streams/well-governed-sais/past-initiatives/sfc#:~:text=SAIs%20are%20key%20players%20in,to%20the%20prevention%20of%20corruption.>

¹⁴ Department for International Development (2004). *Characteristics of different external audit systems*. Policy Division Info series

Table 1: Comparing the main characteristics of the four models of Supreme Audit Institutions (SAIs).

	Judicial or Napoleonic Model	Parliamentary or Westminster Model	Board or Collegiate Mode	Mixed Mode
AUTHORITY	<p>The SAI is usually called a Court and is headed by a President and is composed by a college of members (often with prerogatives of judges).</p> <p>Decisions are taken collegially with the vote of the President, although in some variations decisions can be taken without the vote of the President.</p>	<p>In some jurisdictions, the head of the SAI is called the auditor general or president.</p> <p>This centralized role may be combined with that of the comptroller general who has a control role.¹⁵</p>	<p>The board is composed by members that are appointed by the parliament for a fixed term.</p> <p>The board is headed by a president that is <i>primum inter pares</i>.</p>	<p>Most often referred to as the Supreme or State Audit Institution, the SAI is headed by a president, who is the auditor general.</p>
PERIOD OF APPOINTMENT ¹⁶	<p>Indefinite with a defined retirement age. President and members may be appointed for life or for fixed mandates, which may be renewable or not.</p>	<p>Usually fixed but may also be indefinite.</p>	<p>Fixed number of years.</p>	<p>Indefinite with a defined retirement age. President and members may be appointed for life or for fixed mandates, which may be renewable or not.</p>
MANDATE	<ul style="list-style-type: none"> • Judicial: the SAI makes judgements on public accountants' or decision makers' compliance with laws and regulations. It can also make judgments on breaches of the rules by public managers. • Audit: the SAI controls regularity, efficiency and effectiveness of public finance management, e.g., by reporting on the annual law on the settlement of government's accounts, and/or by engaging in any type of audits. • Other control functions that the SAI may perform: <ul style="list-style-type: none"> - Ex-ante controls - Assisting the Parliament in evaluating public policies; - Certifying public accounts. 	<ul style="list-style-type: none"> • Audit parliament authorizations of expenditure to the government, annual accounts of government and public bodies and all types of public activities and policies with regards to financial, compliance or performance aspects. • Report findings to the parliamentary body, such as the public accounts committee. • In some jurisdictions, on the basis of the report submitted by the SAI, the parliamentary body issues its own reports and recommendations to the government.¹⁷ 	<ul style="list-style-type: none"> • Analyse government spending and revenue. • Audits the accounts and examine the performance, regularity and compliance of public financial management. • Discusses audit findings with the audited bodies. In case of fundamental importance, audit findings are communicated to the Parliament in the annual report 	<ul style="list-style-type: none"> • Holds several audit competencies, including financial and compliance audits, performance audits and IT audits. • Investigates suspected or alleged corruption offences and financial violations. • In some instances, it may take precautionary measures to preserve public funds such as the freezing of funds, the issuance of travel bans and the suspension of work. • SAI reports on audit results are binding, and the organizations must fulfil the recommendations included.

¹⁵ "The Comptroller is required to authorise Ministry of Finance requisitions from central funds to departmental accounts. Before authorising such requisitions, the Comptroller must obtain assurance that credits are requested for purposes which have proper statutory authority and are within the financial limits approved by Parliament." https://www.parlAmericas.org/uploads/documents/DfID_Characteristics_of_Different_SAIs.pdf

¹⁶ Chêne, Marie. The role of supreme audit institutions in fighting corruption. U4 Helpdesk Answer 2018:9, 15 August 2018.

¹⁷ According to the "Global SAI Stocktake Report 2020" issued by INTOSAI Development Initiative (IDI), "almost all parliaments (90%) receive reports from SAIs, but a much smaller percentage (66%) report having clearly established procedures for reviewing reports."

CHARACTERISTICS	<ul style="list-style-type: none"> • Independent of the legislative and executive branches. • Strong independence of the members of the Court, who in many cases may hold the status of magistrate • Audits all government bodies, including ministries, departments and agencies, commercial and industrial entities under the purview of ministries and social security bodies. 	<ul style="list-style-type: none"> • Independent of the executive and helps parliament perform its oversight functions. • Strong safeguards to ensure the independence of the Auditor General. • Larger focus on financial and performance audits. • Reports to the parliament have a lesser emphasis on legal compliance. • The office serves no judicial function, but, when necessary, its findings may be forwarded to legal authorities for further action. • Increasingly, SAIs based on this model are gaining powers to levy sanctions and surcharges. 	<ul style="list-style-type: none"> • It is independent of the executive and helps parliament perform oversight. • Decisions taken by the board are shared and consensual. • Emphasis is placed on ex-post audits. 	<ul style="list-style-type: none"> • Independent of the legislative and executive branches. • SAI submits its annual report to the head of State and informs the executive branch and the parliament or equivalent of its findings.
ANTI-CORRUPTION FUNCTION	<ul style="list-style-type: none"> • SAIs usually pass suspicions of corruption to law enforcement bodies. • SAIs may be able to sanction personal liabilities of public accounting officers or public managers for acts of mismanagement of public funds, that are not qualifiable of corruption criminal offenses. 	<ul style="list-style-type: none"> • SAIs may contribute to the fight against corruption by passing suspicions of corruption to law enforcement bodies, that issue sanctions. 	<ul style="list-style-type: none"> • SAIs may contribute to the fight against corruption by passing suspicions of corruption to law enforcement bodies, that issue sanctions. 	<ul style="list-style-type: none"> • Where there are cases of suspected corruption offences, the SAI is authorized to investigate, gather evidence and liaise with the Federal Public Prosecution to build a criminal case. • SAI may be called upon to advise or act as an expert witness by the Federal Public Prosecution.
EXAMPLE COUNTRIES	<p>Angola, Benin, Brazil, Burkina-Faso, Colombia, France, Greece, Italy, Madagascar, Mozambique, Portugal, Romania, Senegal, Spain, Türkiye and Uganda.</p>	<p>Australia, Austria, Bhutan, Canada, Cayman Islands, Chile, Denmark, Ecuador, Egypt, Ethiopia, Fiji, Ghana, Hungary, India, Ireland, Latvia, Namibia, Nigeria, Peru, South Africa, Sweden, The Gambia, United Kingdom, Zimbabwe, and many Caribbean, Pacific, sub-Saharan African countries.</p>	<p>Argentina, Germany, Indonesia, Japan, Jordan, the Netherlands, the Philippines, Republic of Korea and the Russian Federation.</p>	<p>United Arab Emirates.</p>

The Judicial or Napoleonic Model

In the Judicial system the supreme audit institution – also called Court – is generally an integral part of the judiciary as such it operates independently of the legislative and executive branches. However, in some jurisdictions the SAI may be completely separate from the judiciary. Despite this variation, in most cases, the SAI of this model can make judgements on government compliance with laws and regulations. Usually, it has also an audit mandate aimed at verifying and assessing the adequate allocation of public funds. In certain jurisdictions under the judicial model, the SAI acts as an independent body which supports the legislative branch in its external control functions. The court of accounts audits all government bodies, including ministries, departments and agencies, commercial and industrial entities under the purview of ministries and social security bodies. Along with its ex-post audit mandate, a court of accounts may also have an ex-ante control function. The SAI refers to the INTOSAI Principles of jurisdictional activities of SAIs¹⁸ and most SAIs falling under this model are members of the Forum of Jurisdictional SAIs, as established under the Paris Declaration.¹⁹

This model is used in about 50 countries globally, including 10 countries in Europe (France, Italy, Spain, Portugal, etc.), Türkiye, in the Middle-East by Lebanon and Iran, in Latin American countries, including Brazil and Colombia, in Asia by the Philippines, as well as French and Portuguese-speaking African countries. In some African countries the judicial model is coupled with a general state inspectorate, which may be nominated as SAI of the county. The inspectorates are sometimes part of the executive, however maintaining a certain degree of independence from specific ministries and departments.

Example Brazil

The Brazilian Court of Accounts (TCU) forms part of a control network that also includes other State bodies such as the Public Prosecutor's Office (MPF), the Federal Police (PF), the Office of the Comptroller General (CGU), the Federal Revenue of Brazil (RFB), the Administrative Council for Economic Defense (CADE), etc.

The TCU is an external and independent control body responsible for accounting, financial, budget, performance and property oversight of public bodies and entities of the country as for their legality, legitimacy and best value and judging the accounts of those who have caused loss or damage to the treasury. The Departments of the TCU's core area are focused on concurrent, and ex-post auditing in several thematic areas of public revenue and expenditure in the economy. TCU has expertise in calculating the damage to the treasury, identifying guilt and causal linkages. It has no tools to assess willful misconduct, but it can make use of evidence borrowed from other authorities. Therefore, cooperation between the TCU and anti-corruption authorities is essential for control effectiveness. This is not an easy task, since some difficulties arise when work involves anti-corruption authorities under the jurisdiction of the SAI, perhaps for lack of regulation.

Institutions from the control network need to find ways to actively cooperate with each other, through the constant flow of information and by putting their related technical areas in direct contact. Formal cooperation is important as it allows for joint action in ongoing processes. However, it is reasonable to think that cooperation in preliminary phases, such as information gathering and planning stages, may generate a continuous flow of information and result in innovative audits and inspections with more engagement from the technical teams involved.

Further, it is vital that the TCU works together with the bodies that have police investigative tools and the internal control body of the federal government (i.e., the Comptroller General). This cooperation may leverage a virtuous cycle of enforcement. One obstacle to cooperation is a lack of regulation and a general wariness by the relevant agencies to exchange information. Internalized regulations for cooperation in both institutions would allow progress in this direction.

¹⁸ INTOSAI P-50 – [Principles of Jurisdictional Activities of SAIs](#)

¹⁹ The Declaration of Paris of the Forum of Jurisdictional Supreme Audit Institutions

Example France

French financial jurisdictions (Cour des comptes and Chambres régionales et territoriales des comptes) have a mandate under the Constitution. Their mandate includes jurisdictional activities – they pass enforceable judgments - allowing wide investigating and sanctioning powers.

Financial jurisdictions are not a part of the judiciary authority and are equidistant from the Parliament and the executive branch. The auditors are independent magistrates, recruited through a competition and may not be removed. The First president is appointed by the Council of Ministers and may equally not be removed. The First president and auditors are sworn in, obey published ethical rules and professional standards, and are provided with extensive investigation powers (almost no secret may be kept from them).

The French Cour des comptes has its own General Prosecutor, also a completely independent magistrate. The General Prosecutor may make observations to the administrations following audits and refer suspected criminal offences and corruption activities to the judicial authorities and anti-corruption bodies. Because of their organization and structure as courts, financial jurisdictions communicate easily with the judicial authorities and may transfer a case to the judicial authorities if a financial crime is suspected. Because of the “written evidence culture”, they transfer solid files.

When they charge themselves against a public accountant, the financial jurisdictions issue enforceable judgements and may sanction accountable persons for their individual financial responsibility. With respect to public managers, financial jurisdictions have currently no direct jurisdictional competency, except in instances relating to the de facto management of public funds or *gestion de fait*, i.e., the handling public funds without authorization. In this case, the financial jurisdiction can hold managers financially responsible just as if they were a public accountant.

Notwithstanding, their performance and compliance audits of public entities (or private entities using public funds) result in reports that may highlight suspected legal irregularities committed by managers. In such cases, the Prosecutor may initiate prosecution leading to new investigations and to a separate report accompanied by appropriate evidence. On this basis and depending on the nature of the offences, the Prosecutor may transfer the affair to a criminal prosecutor, or to the Cour de discipline budgétaire et financière.

The Cour de discipline budgétaire et financière (CDBF)

In case of breaches to the rules, managers can be sanctioned by the special jurisdiction, established alongside the Court of Accounts (1948) to supplement the sanctioning system for managerial misconduct. Being a mix between the Cour des comptes and the Council of State, the CDBF has the same President, General prosecutor and headquarters as the Cour des comptes. Moreover, 95% of cases are handed to it by financial jurisdictions. The CDBF can fine violations to any rule of management of public revenues and expenditures. As a result, managers have a disciplinary and almost criminal liability. Some breaches of compliance sanctioned by the CDBF are close to cases of corruption: favoritism in public procurement, undue benefits, unauthorized expenses, irregular subsidy or financial arrangements. Both the CDBF and criminal courts can deal with the same case but cannot impose two sanctions for the same violation.

A major reform: as of 2023, the jurisdictional mission and responsibility of the Cour des comptes will be the same for accountants and managers and will fall under a unique chamber of the Cour des comptes, composed by magistrates from the Court and from the regional and territorial chambers. Thus, the Cour des comptes will have enlarged competencies toward managers and the CDBF will merge with it. Further, individual financial responsibility of the accountant will be abolished; the sanction for accountants will consist of fines, as in the case of managers.

Parliamentary or Westminster Model

The Parliamentary system is strongly linked to parliamentary accountability. The national audit office, has one head, often called the auditor general, whose role may be combined with that of a comptroller general who has a control role. It is an independent body that audits parliamentary authorizations of expenditure to the government, annual accounts of government and public bodies, and in some jurisdictions also undertakes compliance and performance audits, and reports its findings to a parliamentary body, such as the public accounts committee and to the public. Based on the report of the SAI, the parliamentary body issues its own reports and recommendations to the government. Compared to the Judicial system the reports to the parliament have a lesser emphasis on legal compliance. The office serves no judicial function, but, when necessary, its findings may be forwarded to legal authorities for further action. Increasingly, SAIs established under a Parliamentary model can impose fines, levies, or sanctions.

Most independent SAIs of this model are subordinate only to the national parliament and dispose of their own budget and selection of personnel. This system is used in the United Kingdom, Australia, Canada, India, and many Caribbean, Pacific, and sub-Saharan African countries. The model is also used in some European countries, such as Austria, Ireland and Denmark, and in South America it is found in Peru and Chile.²⁰

Example Austria

The Austrian Court of Audit (ACA) performs audits throughout the entire spectrum of the state economy at the federal, provincial and municipal levels. The ACA is subordinate only to the National Parliament, with functional and organizational independence, and is committed to the International Standards of Supreme Audit Institutions (ISSAIs). These tasks and functions are based on a profound legal basis at a constitutional level.

The ACA fully assumes its responsibility for reducing corruption and therefore relies upon a multi-pillar and comprehensive approach: (i) Repression of corruption by law enforcement authorities; (ii) Prevention; and, (iii) Education. The “fourth pillar” – cooperation at national and international level – complements the holistic approach. Relevant information is transmitted by the ACA to law enforcement authorities such as the Specialized Public Prosecutor’s Office for Combatting Economic Crime and Corruption.

Example Chile^{21 22}

In Chile, the Office of the Comptroller General controls the legality of administrative acts and safeguards the proper use of public resources. Within its competencies it is tasked with prevention (constitutional review, issuing of opinions), detection (declarations of interest and assets), investigation (audit actions) and sanctions (summaries and judgement of accounts) of corruption. As such the Office of the Comptroller General undertakes anti-corruption efforts that would otherwise be performed by an anti-corruption body. In the Chilean legal system there is no sole body with anti-corruption functions, rather there are several institutions in charge of working in the fight against corruption, comprising, among others, the Public Prosecutors Office – responsible for detecting and investigating crimes – and its Specialized Anti-Corruption Unit, in charge of providing advice, inter-institutional coordination and training in corruption related crimes, and the State Defense Council – responsible for representing the State before courts for the benefit of public interest – that can prosecute corruption cases that involve public funds and/or prosecute crimes committed by civil servants in the performance of their duties.

²⁰ Department for Internal Development (2004). *Characteristics of different external audit systems*. Policy Division Briefing Paper. Accessed on 26/11/2021: <https://gsdrc.org/document-library/characteristics-of-different-external-audit-systems/>

²¹ Office of the Comptroller General of the Republic of Chile (2020). *Dismantling Corruption: ideas to strengthen integrity in Chile*. Accessed on 08/12/2021: https://www.ceacgr.cl/CEA/pdf/DISMANTLING_210906.pdf

²² Leon Larrain, Sebastian Doren (2021). *Anti-Corruption in Chile*. Global Compliance News. Accessed on 08/12/2021: <https://www.globalcompliancenews.com/anti-corruption/handbook/anti-corruption-in-chile/>

Example Egypt

The Accountability State Authority (ASA) is one of the named regulatory bodies specified in the Egyptian constitution, with *technical, financial and administrative independence*, it is also considered as one of many law enforcement bodies concerned with combating corruption, enhancing the values of integrity and transparency in order to ensure sound performance of public functions, preserve public funds, and develop and monitor the national strategy to fight corruption in collaboration with other competent control bodies and organizations, in the manner prescribed by law. In accordance with the law, the ASA exercises three types of control:

- Financial control, both accounting and legal aspects,
- Performance control and monitor the implementation of the plan, and
- Legal oversight regarding decisions issued regarding financial violations.

Under statute, the bodies over which the ASA exercises its supervisory powers and competencies, including examining and reviewing the work and accounts of the State's administrative apparatus and public funds stipulated in the constitution and specified by law. In addition to the audit reports that the ASA submits to the heads of auditees, the ASA submits reports on any competent person entrusted with their review instructed by the President of the Republic, the Prime Minister or the House of Representatives, and the result of its examination will be communicated to the requesting party.

Board or Collegiate Model

Similar to the Parliamentary model, the college or governing board is independent of the executive and helps parliament perform oversight. The board is composed of members who are appointed by the parliament for a fixed term. By nature, decisions taken by the board are shared and consensual. The board is headed by a president, the de facto auditor general. The board's primary mandate is to analyze government spending and revenue and reports its findings to parliament.

This model is present in some European countries including Germany and the Netherlands, as well as in Argentina and Asia including, Indonesia, Japan and the Republic of Korea. Indonesia, Japan and the Republic of Korea have an audit board that comprises a decision-making body -the audit commission- and of an executive branch -the general executive bureau- and is headed by a president.

Executive Model

In the Executive model, SAIs form part of and report to the executive branch. According to the IDI Global SAI Stocktaking Report 2020, 11% of SAIs globally fall within this model. The SAI often has a financial inspection and compliance role, and sits within the Ministry of Finance, the president or the prime minister's office. The SAI in this set-up has limited independence and external audit role and may refer suspicions of corruption to an appropriate investigative body.

This model is present in several Pacific countries including Cook Islands and Nauru, as well as in several Caribbean states such as, for example, Dominica, Grenada, Saint Lucia, and Saint Vincent and the Grenadines, etc.

Mixed Model

In addition to the aforementioned models of SAIs structures, SAIs in some countries may have characteristics of more than one model or unique characteristics. This Mixed model may mean that the SAI is equipped with a plethora of auditing mandates, and importantly for the purposes of the present Guide, preventive and investigative anti-corruption functions – all under the “same roof”.

Example United Arab Emirates

The SAI is headed by a president, who is the Auditor General in accordance with the Constitution, where SAI enjoys the constitutional and legislative guarantees to maintain its independence and carry out its tasks without any influence.

In addition to the mandate of audit competencies, which are financial and compliance audit, performance audit and IT audit, it is also mandated to prevent, detect and combat corruption through law enforcement. In such cases, the SAI conducts investigations on instances of corruption and financial violations, whether these have been detected by the SAI or received through the various reporting channels. SAI UAE takes precautionary measures to preserve public funds such as reservation of funds, travel bans and suspension of work in coordination with the competent authorities. Criminal offenses identified are referred to the Federal Public Prosecution for further investigation and action. SAI submits its annual general report to the President of the State and inform the Cabinet and the Federal National Council. SAI reports on audit results are binding, and the entities must fulfill the request of SAI to meet its requirements and adopt the procedures required to avoid defects, rectify mistakes and collect the amounts wasted, illegally disbursed, due amounts or those where the collection was neglected within a month from notification date. Noncompliance with the recommendations of audit reports is considered a financial violation resulting in investigation and the taking of necessary measures in this regard.

Types of Audits

Based on their mandate, SAIs typically have the mandate or faculty to conduct three types of audits:

1. **Financial audits**, which relates to the review of annual accounts of public institutions and the related provision of a financial statement and its conformity with the accounting framework of the country,
2. **Performance audits**, which assess the value for money, more specifically the efficiency and effectiveness of public institutions' use of resources,
3. **Compliance audit**, which aim at verifying the compliance with the legal procedures, norms and regulations in the transactions made by public institutions.

(4) In addition to the three types of audits mentioned above some SAIs also perform other types of audit, such as environmental, forensic and Information Technology or Information Systems audits. The latter, entail an examination of the controls within an institution's information technology infrastructure by collecting and evaluating evidence of its information systems, practices, and operations and which, in many cases, are undertaken in conjunction with the other audit types.

The types of audits conducted by SAIs may influence what role they might have in the prevention and detection of corruption. By conducting financial and performance audits, auditors play a role in the prevention of corruption through the promotion of sound financial management and robust internal control mechanisms in public institutions, which may be an effective deterrent for corrupt activities.²³ Findings from audits, notably compliance audits, as well as red flags raised can deter and detect fraud and corruption and assist law enforcement agencies to bring perpetrators to justice. On the other hand, performance audits, may be helpful for the development of policies and can highlight vulnerabilities to corruption that can be addressed through the development of risk mitigation strategies and other preventative measures. Compliance audits may reveal a defective risk management system, ineffectiveness of internal controls, a lack of risk mapping, a default in the tracking of decisions, confusion of the roles between accountants and managers, etc. These issues pave the way for fraud and corruption to occur.

²³ World Bank. *Enhancing Government Effectiveness and Transparency: The Fight Against Corruption*.

Audits targeted at integrity and anti-corruption

In addition to the anti-corruption effect of their ordinary audit work, SAIs increasingly consider ethics, ethics management, integrity, and anti-corruption as an important topic for auditing.

In this approach, the audit may assess an organisation's conformity to agreed benchmarks of ethical standards and, by doing so, refrain from acts of fraud and corruption. It may include assessment of 'soft' elements, as setting the tone from the top and tone at the middle, as well as 'hard' elements - the codes and procedures established to stimulate monitor and reinforce ethical conduct throughout the organisation-. Some SAIs conduct transversal or cross-cutting analysis and assessments over areas that are highly sensitive to corruption risks, such as public procurement, notably in emergency situations. Others have chosen to assess the existence, efficiency and effectiveness of a national framework or strategy for integrity or anti-corruption, to identify and assess its weaknesses and strengths.

SAIs, INTOSAI and its regional organizations have developed guidance for these audits²⁴ and some have completed interesting and useful audit reports. The EUROSAI guidance and webpages include examples of these audit reports²⁵.

Anti-corruption bodies (AC bodies)

UNCAC requires that all States parties designate a specialized anti-corruption body or bodies with preventive functions and a specialized anti-corruption body or bodies with law enforcement functions (articles 6 and 36). With the implementation of these provisions in mind, many States parties have developed different models of anti-corruption bodies. Given the nature of anti-corruption functions, which may be distributed across multiple organizations, the identification of anti-corruption bodies responsible for different mandates within some countries may prove more challenging compared to the identification of the SAI.

Article 6. Preventive anti-corruption body or bodies

1. Each State Party shall, in accordance with the fundamental principles of its legal system, ensure the existence of a body or bodies, as appropriate, that prevent corruption by such means as:

- (a) Implementing the policies referred to in article 5 of this Convention and, where appropriate, overseeing and coordinating the implementation of those policies;
- (b) Increasing and disseminating knowledge about the prevention of corruption.

2. Each State Party shall grant the body or bodies referred to in paragraph 1 of this article the necessary independence, in accordance with the fundamental principles of its legal system, to enable the body or bodies to carry out its or their functions effectively and free from any undue influence. The necessary material resources and specialized staff, as well as the training that such staff may require to carry out their functions, should be provided.

3. Each State Party shall inform the Secretary-General of the United Nations of the name and address of the authority or authorities that may assist other States Parties in developing and implementing specific measures for the prevention of corruption.

²⁴ See GUID 5270, Guideline for the Audit of Corruption Prevention, INTOSAI, available at: <https://www.issai.org/wp-content/uploads/2019/08/GUID-5270-Guideline-for-the-Audit-of-Corruption-Prevention.pdf>; Audit of Ethics in Public Sector Organisations, EURO-SAI, available at: <http://www.eurosai-tfae.tcontas.pt/activities/Guidance/Activities/TFAE%20Guidelines%20to%20audit%20ethics/g-english-TFAEGuidelines%20to%20audit%20ethics.pdf>; and Guidance on Audit of Institutional Framework for Fighting Corruption, IDI, available at: <https://www.idi.no/elibrary/well-governed-sais/sais-fighting-corruption/548-guidance-on-audit-of-institutional-framework-for-fighting-corruption-1/file>

²⁵ See *Audit of Ethics in Public Sector Organisations*, EUROSAI, in <http://www.eurosai-tfae.tcontas.pt/activities/Guidance/Activities/TFAE%20Guidelines%20to%20audit%20ethics/g-english-TFAEGuidelines%20to%20audit%20ethics.pdf>, and <https://eurosai.revizija.hr/audit-of-ethics-in-public-sector/audit-reports/2480>

Article 36. Specialized authorities

Each State Party shall, in accordance with the fundamental principles of its legal system, ensure the existence of a body or bodies or persons specialized in combating corruption through law enforcement. Such body or bodies or persons shall be granted the necessary independence, in accordance with the fundamental principles of the legal system of the State Party, to be able to carry out their functions effectively and without any undue influence. Such persons or staff of such body or bodies should have the appropriate training and resources to carry out their tasks.

A summary of the most typical arrangements follows below:

Table 2: Comparing mandates and functions of the different models of anti-corruption bodies.

Mandate/Function	Characteristics	Examples
Prevention-related (art. 6 UNCAC)	<p>These types of bodies are mainly responsible for corruption prevention and promoting the coherence, throughout the government, of policymaking related to preventing corruption. This includes:</p> <ul style="list-style-type: none"> • Establishing a sound knowledge base regarding corruption trends; • Providing direct support to government agencies in the development and implementation of relevant legislation and practices; • Training and educational activities. 	<p>The Italian National Anti-Corruption Authority (ANAC) focuses, among other, on the: elaboration of the national prevention of corruption strategy, issuing the National Anti-Corruption Plan, applying anti-corruption, transparency and conflict of interest legislation, oversight of public procurement systems, etc. (see below for more information). Other examples include: the Commission for the Prevention of Corruption (Slovenia); the Directorate for Anti-Corruption Initiative (Montenegro) and the Anti-Corruption Agency (Serbia).</p>
Investigation (art. 36 UNCAC)	<p>These bodies are primarily responsible for the investigation of corruption offences. In the common law tradition, these are structured as anti-corruption commissions (ACCs) empowered with investigation, and sometimes prosecutorial or quasi-jurisdictional powers. In some jurisdictions, the functions foreseen under article 36 may also be covered by the supreme audit institution of the country. They may also form a part of a specialized prosecution service or be an autonomous section of the police force in a country.</p>	<p>The National Authority for Investigation and Prosecution of Economic and Environmental Crime of Norway (Økokrim) is both a police specialist agency capable of investigating possible acts of corruption and crime and a public prosecutors' office with national authority. The Special Investigating Unit of South Africa is sui generis in that its mandate is to investigate serious maladministration, malpractices and corruption and to thereafter institute civil litigation proceedings in a dedicated forum (Special Tribunal) to recover losses suffered by the Government and to prevent further losses from being suffered. Other examples may include: the Special Prosecutor's Office against Corruption and Organized Crime (Spain); the Office for the Suppression of Corruption and Organised Crime (Croatia); the National Anti-Corruption Directorate (Romania); the Central Prosecutorial Investigation Office (Hungary); and the Permanent Commission against Corruption (Malta).²⁶</p>

²⁶ <https://www.iap-association.org/NACP/Anti-Corruption-Models>

<p>Dual prevention and investigation (multi-function anti-corruption bodies)</p>	<p>These bodies address both the implementation and coordination of preventive policies and the investigation of alleged corruption offences, in accordance with both articles 6 and 36 of the Convention.</p>	<ul style="list-style-type: none"> • The Independent Commission Against Corruption (ICAC) of the Hong Kong Special Administrative Region has adopted a three-pronged approach combining law enforcement, corruption prevention and community education through its dedicated functional departments (see below for more information). • Other examples may include: the Directorate on Corruption and Economic Crime (Botswana); the Corruption Prevention and Combating Bureau (Latvia); the Special Investigation Service (Lithuania); the Central Anticorruption Bureau (Poland); the Corrupt Practices Investigation Bureau (Singapore); and the Inspector General of Government (Uganda).
<p>Coordination between anti-corruption agencies</p>	<p>Mandates and responsibilities relating to the prevention of corruption are allocated among a broad range of institutions. The coordination among those institutions is often ensured by establishing a working group or a high-level ministerial body responsible for ensuring coherence in implementation.</p>	<ul style="list-style-type: none"> • Examples include: the Inter-ministerial Working Group in Albania and its Secretariat within the Cabinet of Ministers; the Commission on Combating Corruption in Azerbaijan; and the Anti-Corruption Council in Georgia supported by the Secretariat in the Ministry of Justice.

Example: Anti-Corruption body with a prevention mandate

Italian National Anti-Corruption Authority

The Anti-Corruption Law, Law No. 190/2012, in execution of Article 6 of the United Nations Convention against Corruption, introduced in Italy a comprehensive set of measures aimed to prevent and repress corruption and illegality and established the National Anti-Corruption Authority (ANAC).

The main functions of ANAC according to the Anti-Corruption Law are the following: to approve the National Anti-Corruption Plan; to analyse the causes and factors of corruption and identify measures to prevent it; to monitor the implementation and effectiveness of public administrations’ anti-corruption plans and the compliance to transparency rules. Regarding these functions, the law assigns ANAC inspection powers, the power to enquire, to demand the exhibition of documents, and the power to command administrations to adopt acts or measures, required by integrity plans and by rules on transparency, or the elimination of conduct or acts in conflict with them. Depending on the outcome, ANAC may then exercise specific sanctioning powers (of an administrative and / or financial nature) towards the administrations and their top management. ANAC also defines criteria, guidelines and standard models for the code of conduct regarding specific administrative areas as specification and integration of the general code of conduct for the public sector. ANAC also cooperates with the corresponding international bodies and in general with international and foreign bodies in the field of anti-corruption to share information and methodologies for the implementation of anti-corruption strategies. ANAC reports annually to the Parliament on the activities against corruption and illegality in the administrations and on the effectiveness of the measures applied.

Example: Anti-Corruption body with dual prevention and investigation mandates²⁷

Independent Commission Against Corruption of Hong Kong

Hong Kong's Independent Commission Against Corruption (ICAC) is an independent body that has a three-pronged strategy to the fight against corruption through enforcement, prevention and education. All allegations of corruption and related criminal offence against ICAC officers are investigated by a special unit in the ICAC that acts on the advice of the Secretary for Justice and the Operations Review Committee, which consist of members appointed by the Chief Executive. The Commissioner is appointed by the Chief Executive and is accountable to him. The ICAC reports to the Executive Council and renders formal reports to the Legislative Council. Under the Commissioner and serviced by the Administration Branch, the ICAC counts three distinct but interdependent departments: Operations Department (investigative arm); Corruption Prevention Department and the Community Relations Department.

Example: Plurality of anti-corruption bodies with prevention and investigation mandates

Entities introduced in France through anti-corruption and transparency laws

The Anti-corruption authority (AFA) is an anticorruption body created in 2016, attached to the ministers of Justice and Finance. Chaired by a judicial magistrate for a six-year term, the French AFA audits public bodies as a preventive mechanism, or in the event of a denunciation. It monitors the compliance of large companies (at least 500 employees and €100 million turnover) with mandatory corruption prevention and detection measures e.g., anti-corruption codes of conduct, internal alert systems to collect reports of violations (whistleblowing), corruption risks mapping, disciplinary regime, internal control, etc. The AFA provides information, counsel, guidelines and training to public institutions and private companies, even smaller ones (upon request), to tackle corruption and fraud. The AFA is staffed with a Sanctions Committee.

The High Authority for Transparency in Public Life (HATVP) is an independent body that promotes and supervises the probity and exemplarity of public officials. Its independence is guaranteed by the functioning of its executive board and its financial and administrative autonomy. Its mission relates to two categories of persons: public officials (elected officials, ministers and high public servants) by ensuring that they avoid conflicts of interests, through the publishing of their assets, activities and other interests and through the control of their professional retraining (in or out of the public sector); and, lobbies through the publishing of their activities, representatives and budgets (national registry). The HATVP has a preventive mission – to avoid, through the promotion of the integrity and exemplarity of public officials, and through overseeing lobbying, the risks of corruption – but also possesses investigative abilities, to ensure that every individual who is required to declare does so sincerely and exhaustively, and to check if a public official or civil agent is required to distance themselves from decisions in case of conflict of interest. Both the AFA and the HATVP are anti-corruption bodies within the meaning of Article 6 UNCAC.

A new judicial player: the National Financial Prosecutor's Office (PNF)

Created by law in 2013, the PNF is an entity with new specialized means and disposes of specialized investigative units. The PNF has national jurisdiction and is specialized in the fight against offences against probity, in particular the corruption of foreign public officials, tax fraud and stock market offences. A new Chamber of the Paris Judicial High Court (*Tribunal de Grande Instance*) was also created to handle cases handed over by the PNF. The PNF has investigative and prosecutive mandates and can also be supported by specialized investigating judges.

²⁷ Anna Wu (2006). *Hong Kong's Fight Against Corruption has Lessons for Others*. Hong Kong Journal. Available at: https://carnegieendowment.org/hkjournal/PDF/2006_spring/wu.pdf

Example: Bodies primarily responsible for coordination between government agencies in the field of corruption prevention²⁸

Portugal - Council for the Prevention of Corruption and National Anti-Corruption Mechanism

In Portugal, a *Council for the Prevention of Corruption* was established in 2008. It is an independent administrative authority performs preventative anti-corruption functions and which does not have any investigation powers. This Council has been chaired by the President of the Portuguese SAI and its work is supported by the SAI. The Council has representatives from several bodies with a role in the fight against corruption, such as the Public Prosecutor Office and the public administration internal audit function.

The activities of this body have included, among others:

- Analysis of information concerning corruption;
- Recommendations on the adoption of corruption prevention measures and mechanisms, such as plans to manage corruption risks;
- Communication of those recommendations and monitoring on their implementation;
- Opinions on anti-corruption initiatives and legislation;
- Monitoring of the implementation in Portugal of anti-corruption recommendations issued by international organisations;
- Anti-corruption training and education initiatives, notably for public administration and schools.

One of its main roles is to coordinate anti-corruption initiatives. The members of this body monthly to coordinate the work of their institutions. The council delivers its activities in close relationship with public institutions, paying them regular visits to discuss best ways to manage corruption risks and conflicts of interests and organises discussions and hearings with anti-corruption experts.

This council is being replaced by the *National Anti-Corruption Mechanism* (MENAC), established in December 2021, which is now in course of implementation. The *MENAC* is designed to be more effective, granting more powers of authority, more resources and permanent staff. The main goal of *MENAC* is the promotion of transparency and integrity, as well as ensuring the effectiveness of policies aimed at preventing corruption. The promotion and supervision of the implementation of the new strategy and legal framework for the prevention of corruption also falls under the responsibility of this entity, which has the power to impose fines for non-compliance or mis-compliance with established obligations. This body will also have the main role of coordinating the several authorities and actors of the anti-corruption action, including private entities.

The appointment of the President of *MENAC* is made under a joint suggestion of the President of the SAI and the Public Prosecutor. *MENAC* falls under the control and jurisdiction of the SAI.

United Arab Emirates – Supreme Audit Institution as a central point for cooperation

The Supreme Audit Institution of the United Arab Emirates (SAI UAE) acts as the central point for cooperation between the Public Prosecution, the Ministry of Interior, the Central Bank and the Ministry of Finance in matters of anti-corruption strategies and cases relating to suspected corruption offences. In addition, SAI UAE is responsible for coordinating all international cooperation related to anti-corruption strategies, cases and the safeguarding of public funds in this regard, including with the entities noted above.

²⁸ Conselho de Prevenção da Corrupção. 2008 2022 - CPC 14 Anos de Ação. Conselho de Prevenção da Corrupção Tribunal de Contas, Lisbon June 2022. Available at: https://www.cpc.tcontas.pt/documentos/outros/CPC_14-anos.pdf

Other Stakeholders

While the focus of this guide is on enhancing collaboration between SAIs and ACBs in their anti-corruption efforts, it is important to recognize the role played by various other public sector organizations and stakeholders in preventing and fighting corruption.

In some jurisdictions, certain anti-corruption functions may be assigned to different organizations. In other jurisdictions, the importance of various public sector organizations lies on the way these can bridge the efforts for enhanced collaboration between SAIs and ACBs.

In many systems, the SAI will likely work closely with the Public Prosecutor, particularly in support an investigation or the building of a case against an organization or entity. Another example may be the cooperation with the Office of the Ombudsperson or equivalent, or the public authority responsible for high-value government procurement.

Despite the differing relationships of the SAI and ACB with these other public sector organizations and stakeholders, options should be explored on how best to leverage the overlapping areas of work. For example, these and other public sector organizations may be the key to joint initiatives or may be vital in bridging the individual efforts of SAIs and ACBs and, by extension, contribute towards an increased and/or a more efficient form of collaboration.

Identification Matrix - national agencies and institutions that contribute to the fight against corruption

Prior to identifying potential areas of collaboration between SAIs and ACBs it is necessary to map all agencies within a country that contribute to the prevention and fight against corruption. The following matrix seeks to map the agencies that are working on anti-corruption on a given State. This could be used as a first step to foresee inter-institutional strategies to cooperate and collaborate.

To complete the matrix, list the names of every public entity with anti-corruption functions. Although a country may have only one ACB it may have other public sector organizations or stakeholders that contribute to preventing and fighting corruption through, for example, collecting evidence on corruption. These may include for example law enforcement agencies, specialized procurement bodies, the Office of the Ombudsman, etc. Secondly, mark with a check or cross each column corresponding to the functions performed by each entity. For more information on the scope and definition of each function kindly refer to the Glossary below. Annex 2 contains two case studies that may act as examples to guide policymakers, practitioners and other relevant public organizations on how to complete the below matrix.

Once the anti-corruption functions have been identified additional detailed information can be added in Table 2 below.

Table 3: Identification Matrix of public sector entities with an anti-corruption function.

Agency	Prevent	Detection	Control	Investigation	Sanction	Prosecution	Public Outreach	Education

Table 4: Detailed description of the anti-corruption functions performed by each public sector entity identified in the Matrix.

Name of Agency	Detailed description of its role in the prevention

Glossary

PREVENTION	Anti-corruption prevention activities aim to deter or inhibit corrupt practices from occurring (e.g., development, implementation and monitoring of an anti-corruption strategy; conceptualization and organization of awareness-raising and capacity-building initiatives, etc.), by among other, enhancing transparency, oversight and checks and balance systems.
DETECTION	Actions undertaken to uncover irregularities that may have already occurred. ²⁹
CONTROL	The control function is performed by assessing the conformity or compliance with rules and procedures.
INVESTIGATION	An investigation is a systematic examination and evaluation of all relevant facts and information to determine if misconduct has occurred, what are the causes and the determination of the liability. ³⁰ Anti-corruption investigations are those actions that aim to unveil corrupt practices through intelligence gathering.
SANCTION	Sanctions are legal measures to secure enforcement by imposing a penalty for non-compliance or for violation of the law. ³¹ Sanctions to enforce compliance can encompass administrative, civil and criminal sanctions.
PROSECUTION	In criminal law, prosecution is the institution and continuance of a criminal suit involving the process of pursuing formal charges against an offender to final judgment by due course of law. ³²
PUBLIC OUTREACH	Public outreach is the act of reaching out to the general public to promote public awareness and understanding of a topic or issue.
EDUCATION	Anti-corruption education is the promotion of an anti-corruption and ethical behavior culture among the young generation through learning activities. These activities contribute to generating a better understanding and means to address problems that can undermine the rule of law and that encourage youth to actively engage in their communities and future professions in this regard.

²⁹ Detection and investigations are to be understood as distinct activities that can be performed by different bodies, For example in some jurisdictions the Office of the Ombudsman receives complaints or information on irregularities that it then submits to relevant agencies for investigations

³⁰ <https://www.lawinsider.com/dictionary/investigation>

³¹ Sanction. (n.d.) A Law Dictionary, Adapted to the Constitution and Laws of the United States. By John Bouvier. (1856). Retrieved May 2022 9 from <https://legal-dictionary.thefreedictionary.com/Sanction>

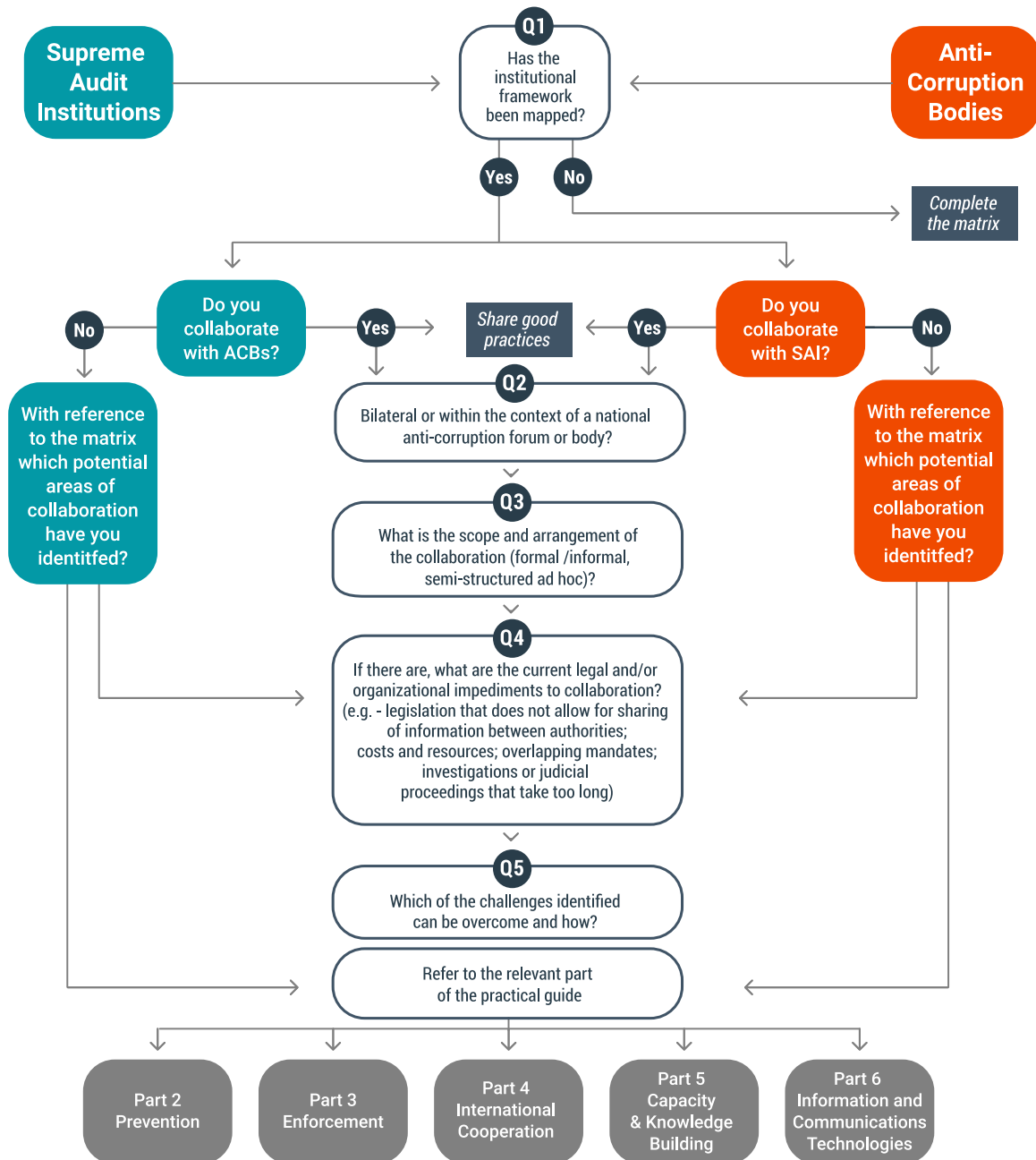
³² <https://www.merriam-webster.com/dictionary/prosecution>

Diagnostic to determine the national institutional framework:

The diagnostic tool below on understanding the national institutional structures helps shed light on how SAIs contribute to the implementation of UNCAC and serves the following purposes:

- To identify potential areas of cooperation between SAIs and ACBs.
- To understand strengths that may allow for increased cooperation between SAIs and ACBs.
- To understand challenges that may be inherent in the national framework, and which may need to be overcome to enable improved cooperation between SAIs and ACBs.
- To guide the reader as to which sections of parts two and three to read. This is important as the national institutional structures vary dramatically and while the ultimate objectives may be the same the routes taken to achieve these objectives and the relevant good practices may differ substantially.

Diagram 1: DIAGNOSTIC TOOL



The collaboration between SAIs and ACBs can be extended to include other competent authorities to strengthen the response to corruption. To harmonize preventative and enforcement anti-corruption actions in Rwanda an Advisory Council to fight against Corruption and Injustice was established in 2014, by a Presidential Order. The Advisory Council is a forum of officials from different institutions which meets on a quarterly basis and report to the President of the Republic, with copies to the Parliament, the Supreme Court and the Cabinet. It operates at a national level but also decentralized at district, sector and cell level. At the national level, the advisory council is composed of, among others: the Chief Ombudsman, the Auditor General, the Executive Secretary of Rwanda Public Procurement Authority; the Director General of National Intelligence and Security Service; Inspector General of the Rwanda National Police; Vice president of the Supreme Court.³³

The collaboration between the different agencies allows the Advisory Council to have a vast responsibility covering:

- giving opinions on the strategies for fighting corruption;
- examining and making recommendations on reports from institutions involved in fighting against corruption;
- setting up a channel of exchange of information on corruption between institutions;
- examining and making the recommendations on the reports from the international organizations about corruption in Rwanda and,
- approving and publishing annual reports on achievements on fighting against corruption in Rwanda.

In Uganda, investigators from the Inspectorate of Government (IG), auditors with skills in forensic audit from Office of the Auditor General (OAG) and procurement investigators from the Public Procurement and Disposal of Public Assets Authority (PPDA) are collaborating in a Joint Task Force on the Collaboration Strategy. The members to the Joint Task Force can use and build on the work conducted by others to ensure a higher impact of their audits, intelligence, and investigative work.

SAIs and ACB may collaborate as well in the context of anti-corruption national fora, as anti-corruption committees, committees for the development and monitoring of anti-corruption strategies, etc. In addition, rules of procedure and standards in sharing reports can be set in place to avoid certain issues in cooperation. For example, SAI Egypt collaborates with other organizations within the National Anti-Corruption Committee, mandated with the implementation of UNCAC and the Anti-Corruption Coordination Subcommittee – charged with the development of the national anti-corruption strategy -.

As each system may vary substantially, the identification of possible challenges and the differing interventions or actions that may be required to overcome these, will likely be a precondition for the implementation of good practices suggested in the subsequent sections of the guide.

One possible impediment to collaboration that may greatly hinder the ability of both SAIs and ACBs from working with each other may be enshrined constitutional principles or adopted laws. Even in countries where the legislative framework provides for formal channels of communication between the SAI and ACB(s), these channels may be limiting with respect to what can be communicated from one entity to another or may only be available on an ad-hoc basis and under exceptional circumstances. Recognizing such potential barriers is key to determining what efforts should be undertaken to develop or reinforce stronger areas of collaboration. In such a situation, if say specific but restricted information from a SAI would benefit the work of the ACB, a possible alternative to a direct exchange of information may be to establish a means for informally consulting the SAI or ACB. While the SAI may be barred from sharing confidential information to the ACB, providing it with redacted versions or with a summary of focus area may support an ACB's investigation. For example, the Australian National Audit Office (ANAO) and the Australian Commission on Law Enforcement Integrity (ACLEI) are bound by legislative constraints, including limits on information sharing.

³³ <https://www.ombudsman.gov.rw/en/about-us/units/corruption-prevention-unit>

ACLEI operates under the *Law Enforcement Integrity Commissioner Act 2006*. The head of ACLEI, the Integrity Commissioner, is an independent statutory officer. ACLEI is able to detect and receive allegations of corruption through notifications from the public or through referrals from the head of a law enforcement agency within ACLEI's jurisdiction. In addition, ACLEI, shares and disseminates information with other agencies in the course of its detection, investigation and prevention activities in writing and verbally through meetings, presentations and discussion. Whereas ANAO operates under the *Auditor-General Act 1997*. The head of the ANAO, the Auditor-General, is similarly an independent statutory officer and information sharing with the ANAO is also legislatively governed.

Another possible impediment to collaboration may be an overlap of mandates. While more obvious overlaps of mandates should be perceived as opportunity areas for strengthening or enhancing collaboration, it is possible that certain bodies may find themselves competing with each other. Such competition can result in inconsistencies, inaccuracies and, worst of all, duplication of work. For example, joint initiatives, to which staff from relevant bodies such as the SAI and ACB(s) are seconded and where the hierarchy may be more balanced and freer of internal politics, may help create a working environment that minimizes institutional competition, working towards a common goal.

Even in instances where mandates do not seem to overlap at all and where the SAI and ACB(s) do not interact, consideration on potential areas for collaboration should be explored. While it may not be immediately obvious, the expertise and insights of one institution can always benefit or provide an alternative perspective to another. For example, training initiatives between SAIs and ACBs can only further enhance the knowledge, awareness and skills of auditors and anti-corruption officers or investigators respectively.

Finally, another consideration of potential challenge to collaboration is the conflict of interest that may arise between the two institutions. In some jurisdictions, as part of their mandate, SAIs will be tasked with auditing ACBs. It may also be possible, for example, for a situation to arise whereby an ACB launches an investigation into SAI staff for alleged misconduct or corruption offences. Such actions may cause a degree of mistrust, friction or even hinder cooperation between the types of institutions. In overcoming or mitigating such a challenge, SAIs and ACBs need to maintain their functional independence, as enshrined by law. In other words, by safeguarding their independence, SAIs, ACBs and their respective staff can differentiate between working closely together and the individual fulfilment of each other's mandates, be it in conducting audits or monitoring compliance or the conducting of an investigation into alleged corruption offences.

Moving from existing to desired state

The examples contained in the following sections are included to provide ideas as to what can be achieved in the potential area of cooperation. It is recommended that the starting point when considering co-operation is to read the relevant section of the guide to generate ideas on how you would like to cooperate in that specific area. Please remember that your cooperation can be more extensive than that described in the examples.

Once a vision of the desired future cooperation has been identified the next step is to assess the starting point. This will range from at one extreme no prior contact with the agency that you seek to cooperate with to at the other simply building on an existing cooperation agreement.

If your institution has no contact with the body with whom you want to cooperate then you will need to undertake all or part of the institutional analysis outlined in Part One to determine which or who the best counterparts are – this may not always be immediately obvious.

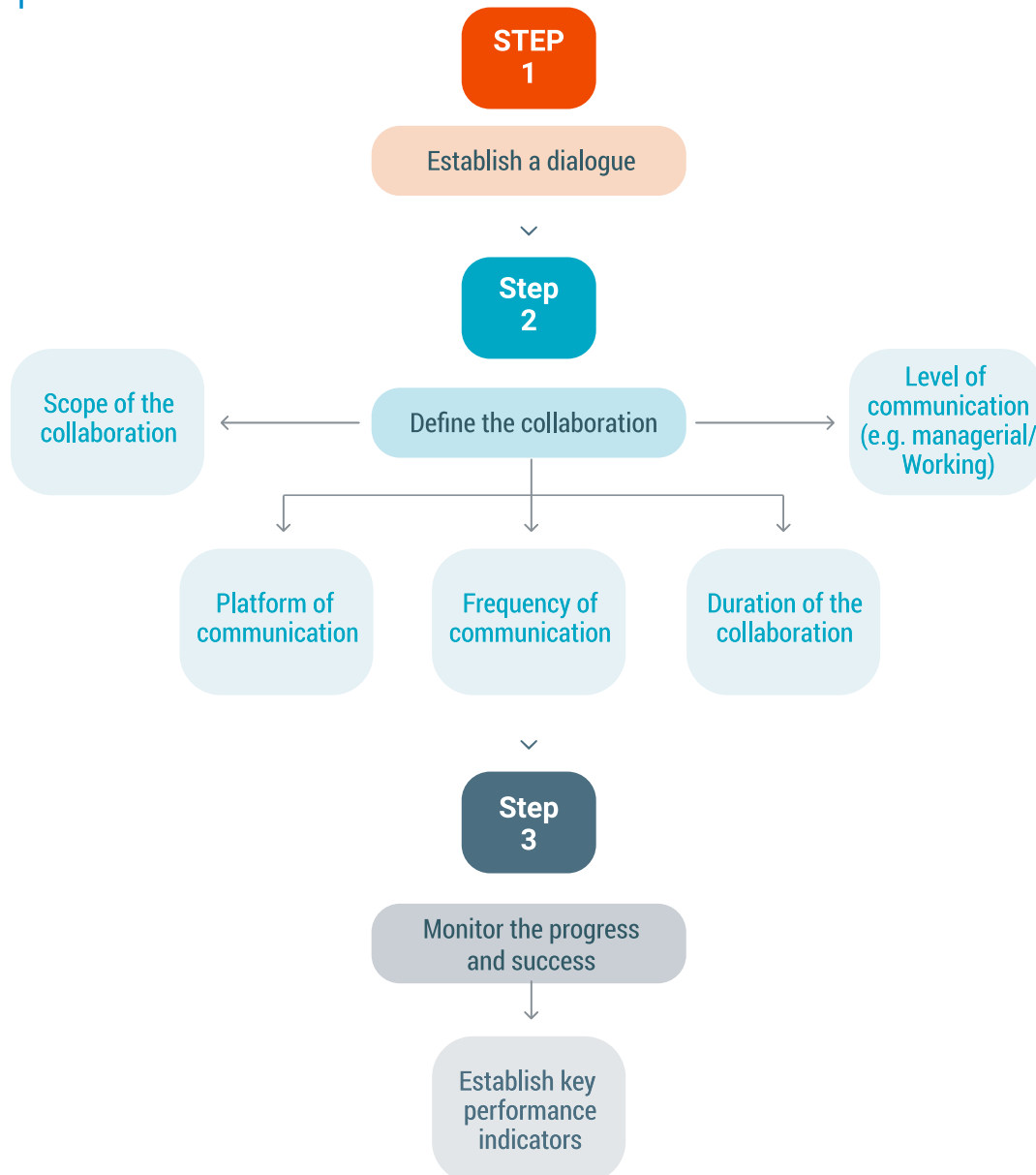
Generally, a stepped approach can be followed:

Step 1: Establish informal contact and share the vision of what you want to achieve through the proposed cooperation. Be prepared to provide some careful explanation as what may seem obvious to you may be something that the person that you are talking to has never thought about before.

Step 2: Hold more formal discussions where the practical form of the cooperation should be agreed. This will include issues such as whether a formal memorandum of understanding between institutions needs to be agreed and if so, what the contents should be, what limitations there might be to the cooperation, whether there should be focal points (see diagram 2 below) etc.

Step 3: Establish key performance indicators in each institution to incentivize managers to ensure that the cooperation agreement is being operationalized (without this step many good agreements are never implemented).

Diagram 2: Steps towards moving towards best practice



Some examples of differing forms of collaboration, include:

- **Legislated or formal collaboration:** Recent amendments to the South African Public Audit Acts provide for the Office of the Auditor-General of South Africa to refer cases of material irregularity for investigation and recovery of losses to the ACBs, namely the Special Investigating Unit (SIU). To date, the collaboration between the two institutions has been regulated through Memorandums of Understanding (MoUs). Also, the Audit Board of Indonesia has set up formal collaboration arrangements through MoUs with several law enforcement agencies. The parties meet periodically - twice a year - to coordinate and discuss the progress of corruption cases. The areas of collaboration set by the MoU include follow-up on fraud cases submitted by the Audit Board to law enforcement agencies; follow-up on state loss calculation requested from law enforcement agencies; and joint collaboration in efforts to prevent corruption through awareness raising initiatives and education. The MoU further regulates how and what information can be shared by the SAI to support law enforcement investigations.
- **Semi-structured collaboration:** In Kenya, the Office of the Auditor General (OAG) collaborates with multiple agencies on an ad hoc basis carrying out joint audits, specifically on cases involving the siphoning of public funds. The OAG collaborates with the Directorate of Criminal Investigations, the Ethics and Anti-Corruption authority and the Office of the Directorate of Public Prosecutions. Once the agencies decide to initiate a joint investigation, they set up an informal arrangement to define the scope of the collaboration as well as the desired outcomes. In India there is also a mixed model in place where a protocol defines that once the Comptroller and Auditor General detects red flags, it then informs the National Anti-Corruption and Crime Control Bureau (NACCCB) which will conduct its investigations following its rules and procedures. Similarly, the NACCCB can request information from the Comptroller and Auditor General to gain a better understanding of the financial dimensions behind a corruption case. The information collected by the NACCCB is then shared with the Comptroller and Auditor General, which then adjusts the auditing plan accordingly. In addition, the Comptroller and Auditor General mandate has a special provision on collaboration on special audits.
- **Informal collaboration:** The Senegalese Court of Audit and the Commission Against Non-Transparency and Corruption (CNLCC) are in the process of setting up a formal arrangement for collaboration through an MoU. However, by publishing their reports the information disseminated from each other institution can feed into the planning and work of the other organization. Specifically, the CNLCC reports on the misuse of public finance are used for audit planning. Also, as a public prosecutor is seconded to the Court of Audit it can initiate investigations when there is suspicion of a criminal offence and the CNLCC can use the Court's annual report to conduct further investigations.

Regardless of the type of collaboration established the fundamental point is to be able to demonstrate, relevant both to decision and lawmakers, that strengthening collaboration is a mutually-beneficial exercise that will contribute towards the more effective fulfilment of each institution's mandate and, in turn, better preventing and combating corruption.

Part 02



Prevention

This section will focus on how cooperation between SAIs and ACBs may be utilized to strengthen corruption prevention efforts. It will cover the design and implementation of anti-corruption strategies, the integration of external audit and corruption risk management processes, and the role of SAIs in the implementation of Articles 7-14 UNCAC.

Thematic 01

Involvement of SAIs and ACBs in design and implementation of anti-corruption strategies

The information and expertise that a SAI owns may be very useful in the design and implementation of national anti-corruption plans or strategies.³⁴ The direct involvement of SAI or the use of audit findings in creating national strategies could provide essential input for the successful design of such strategies. Furthermore, SAI could also be involved in the implementation of the national anti-corruption strategy or conduct an audit of its implementation.

Although prevention efforts are often undertaken by ACBs, at least in jurisdictions that have distinct bodies with a preventative mandate, the involvement of SAIs in the prevention of corruption is beneficial because SAIs usually have the legal mandate to examine public sector entities on an annual or regular basis, without the need for an allegation of wrongdoing to have been made. Furthermore, SAIs may be tasked with assessing the effectiveness of internal controls of public sector entities and revisit these controls periodically.

In practical terms, this means, where weaknesses are identified in public financial management systems, SAIs already have the mandate to explore whether the weakness is systemic and affects other ministries and departments across the entire public sector. This should translate to loopholes that enable corruption being holistically prevented rather than on a case-by-case basis. Avoiding risky public disbursements is an effective way of preventing losses and damages. Indeed, it is more effective to prevent losses than to try to recover them later, or what is also referred to as the “pay-and-chase” model. Equally important is to avoid public expenditure in “unfeasible” or unrealistic projects, especially in the infrastructure sector. This could be done by auditing at an early stage of the processes and projects and drawing the attention to fraud and corruption risks that they may entail or disclosing potential corruption situations in examined procedures. SAI that have ex-ante control functions may contribute to reduce corruption risks by refusing the continuation of projects that do not comply with legal requirements concerning transparency, open and competitive procedures, substantiation and documentation of choices and decisions, unbiased specifications, clear and objective criteria and/or mechanisms to prevent conflicts of interests

In this way the work of SAIs and ACBs to prevent corruption can be complementary. For example, ACBs can design the national anti-corruption strategies or plans based on the corruption risks and vulnerable sectors identified by SAIs while conducting their audits. In addition, a lot of potential for further cooperation between SAIs and ACBs may involve raising awareness on issues of transparency, accountability and ethics and providing training on such matters to government officials and civil society.

³⁴ For more information on anti-corruption strategies and policies refer to: United Nations Office on Drugs and Crime, National Anti-Corruption Strategies: a Practical Guide for Development and Implementation, 2015, available at: https://www.unodc.org/documents/corruption/Publications/2015/National_Anti-Corruption_Strategies_-_A_Practical_Guide_for_Development_and_Implementation_E.pdf

Direct involvement of SAIs in the design of national anti-corruption strategies

Example Brazil

The Albanian SAI has the responsibility of formulating the national anti-corruption strategy, which it was already tasked with for the period 2018-2022. Among other, the national anti-corruption strategy states that ALSAI will continue to play a role in promoting good governance, implementing ethical standards and raising awareness on the risks of fraud and corruption.

Example Austria³⁵

The Austrian Court of Audit is observer to the national anti-corruption coordination body that coordinates the work between involved institutions. In this function it participates in the drafting of the National Anti-Corruption Strategy and the action plan that is based on the strategy.

Example Chile

In 2021 the Office of the Comptroller General formulated its National Anti-corruption Strategy with citizen participation at the core. The institution developed a broad participatory process that included 155 dialogue sessions in the country, with 23,453 participants (49% identified as women).

The outputs of the participatory process allowed the institution to formulate 25 measures to combat corruption in the country under the pillars of good governance, safeguarding of public resources, and probity and democracy.

Example Ecuador

As part of the Transparency and Social Control Branch of Government, the Office of the Comptroller General in Ecuador has, amongst other institutions, the responsibility to formulate public policies of transparency, control, accountability, promotion of citizen participation and, prevention and fight against corruption. With that in mind, the institution contributed to drafting the Integrity and Fight against Corruption Plan (2019 – 2023) that covers all the public organizations of the Transparency and Social Control Branch of Government (i.e., the Council for Public Participation and Social Control, the Office of the Human Rights Ombudsman, the Office of the Comptroller General, and the Superintendencies). In addition, the Office of the Comptroller General was part of process to design of the National Anticorruption Strategy for the Executive Branch of Government, launched in 2022, and will be part of the National Anticorruption Commission responsible for articulating the implementation of the strategy.

³⁵ The National Anti-Corruption Strategy can be assessed here: <https://www.bmi.gv.at/510/start.aspx>

Example Egypt

The Accountability State Authority (ASA) is a member of the National Anti-Corruption Committee, which has several competencies including but not limited to ensuring the effective enforcement of the provisions of UNCAC and other international and regional agreements. The ASA is also a member of the Anti-Corruption Coordination Subcommittee which was established pursuant to the Prime Minister's Decision No. 1022 of 2014, headed by the Head of ACA. The Subcommittee has many competences, such as preparing the necessary studies for the development of the national strategy to combat corruption.

The second national strategy to combat corruption in Egypt (2019 – 2022) has nine objectives, under three of which the ASA has had the main role in the following areas:

- **Objective 1** - Activating transparency and integrity mechanisms to fulfil the 2014 Constitution, both the ASA and ACA prepared and published an annual report on the monitoring efforts during the year, amounting to eight reports over the years of the strategy. In 2020, the ACA published the reports on its official website and via social media, while the ASA contented itself with making its reports available to the concerned authorities including the House of Representatives.
- **Objective 4** - Developing the legislative structure that supports the fight against corruption, to amend the law governing the ASA in accordance with the latest developments and the best regional and international practices.
- **Objective 6** - Supporting law enforcement agencies to prevent and combat corruption “Perception and Combating Administrative Corruption Index” and developing the organizational structure of the ACA and the SAI over the years of the strategy, as in 2020 the proposal of the organizational structure of the SAI was completed in preparation for its adoption. Further, concluding agreements between regulatory agencies to enhance the exchange of information by concluding a cooperation protocol between ACA and law enforcement agencies.

Example Italy

The prevention of corruption and integrity system in Italy is based on a model of regulation that provides for planning and control activities, with a “cascade” planning model that affects all levels of government. The National Anti-Corruption Plan (PNA), issued every year by the ANAC, is the heart of this planning model, and each public administration should adopt an Integrity Plan (until the 2022 reform entitled “Three-year Plan for the Prevention of Corruption and Transparency”, from June 2022, which requires the establishment of an integrity section in the context of a general plan of organization) using the PNA as the basis to follow. The Integrity Plan identifies, on the basis of the PNA, the specific risks of corruption (using international standards for risk assessment) in each administration and the measures deemed necessary to prevent them (mandatory as rotation of assignments, training, civic participation, and specific for each organization) and to foster integrity. These planning tools assume a fundamental importance in the system devised by the legislator; as long as the PNA ensures the coordination of national and international strategies for the prevention of corruption in public administration, whereas the integrity plan identifies, on the basis of the first, the specific risks of corruption in individual administrations and the measures deemed necessary to prevent them.

The PNA allows for a unified and strategic planning of the activities to prevent and combat corruption in the public sector and provides for measurable objectives and the identification of specific responsibilities. The PNA is a programmatic three-year tool subjected to an annual update with the inclusion of indicators and targets in order to make the strategic objectives measurable and to ensure the monitoring of the possible divergences from these targets arising from the implementation of the PNA.

In order to be effective, the Integrity Plans must also contain appropriate targets and adequate measuring indicators and should be coordinated with other programming tools, i.e., the budget, ensuring the financial sustainability of the interventions needed, and the Performance Plan, which should bring the strategic and operational objectives chosen by each administration, including the measures to implement the Integrity Plan.

Example Latvia

SAI Latvia cooperates with the Corruption Prevention and Combating Bureau (CPCB), the leading specialized anti-corruption authority. The National Anti-Corruption Plan is being developed by the CPCB, takes into account the compilation and analysis of breaches of law identified by SAI Latvia during its audits.

Example Portugal³⁶

A specific task force was entrusted to prepare the *National Strategy to Fight Corruption* for the period 2020-2024. As chair of the *Council for the Prevention of Corruption*, the President of the Portuguese Court of Auditors, as well as the Council's representatives in the mentioned task force, had the opportunity to contribute to the design of this strategy. Additionally, the SAI, according to its mandate, gave a formal opinion on the legal framework establishing the new ACB.

The *Council for the Prevention of Corruption* issued recommendations for public institutions to prepare and approve a dedicated *Plan for the Prevention of Corruption Risks* and has supported and monitored the preparation and implementation of these plans. The plans identify the specific risks of corruption in each organization and the measures deemed necessary to prevent them. The current strategy demands now that public bodies have a compliance plan.

The Court of Auditors has been checking, in its audits, whether these plans are approved and published, whether their implementation is ensured and monitored and whether they are regularly updated. In some audits, their specific content and effectiveness are also assessed. A total of 47 per cent of central administration organizations and 35 per cent of local authorities have declared their plans to the council.

Example Senegal³⁷

Senegal's National Anti-Corruption Strategy (SNLCC) is developed through a participatory process involving multiple institutions, the private sector and civil society. Amongst the contributors to the SNLCC are the following control agencies: the Court of Accounts, the State Inspectorate-General and the financial intelligence unit (CENTIF), who also are part of the monitoring and assessment committee. The monitoring and assessment committee is headed by the President of the Republic and meets at least twice a year to coordinate and evaluate the implementation of the strategy. The strategy reverts around three main pillars: reform of the normative and institutional framework; improvement of governance and coordination of anti-corruption actions; improvement of communication and capacity building of anti-corruption actors (information, communication and education).

Example United Arab Emirates

The SAI contributes to the national anti-corruption strategy through the exercise of its audit competencies and by examining the various financial and accounting laws, rules and regulations and the progress of the financial operations of the auditees in order to ensure their soundness, determine areas of improvement and propose the means it deems necessary to achieve such improvements. This includes the development of accounting standards and best practices as well as the conduct of studies and research and to propose establishing or amending systems and policies in order to increase the levels and capacities of preventing and combating corruption. Further, the SAI issued a guide to best practices in combating corruption, with the aim of providing public sector institutions and entities with the necessary tools to improve the use of public funds.

³⁶ The National Strategy can be accessed here: <https://justica.gov.pt/Estrategia-Nacional-Anticorruptcao2024-2020->

³⁷ Access the SNLCC here: https://www.ofnac.sn/resources/pdf/SNLCC_2020-2024_web.pdf

Use of audit findings to inform national anti-corruption strategies

Example Portugal

The Court of Auditors has provided several opinions, audit findings and recommendations concerning the implementation of anti-corruption measures and strategies. It recommended, for instance:

- The approval of ethical guidelines for the management of donations and aid;
- Changes in public procurement laws and procedures in order to ensure the use of open and true competitive procedures, to reinforce transparency in contracts and subsidies and to prevent conflicts of interests;
- The limitation to use exceptional rules on public procurement direct awards for emergencies and for the recovery phase;
- Changes and updates in the plans to prevent corruption risks;
- The organization of training in integrity and in anti-corruption procedures;
- Enhanced transparency requirements;
- Adoption and use of IT systems and databases that may be used to prevent corruption and the interoperability between relevant IT applications.

Example Russian Federation

In 2022, the Accounts Chamber of the Russian Federation is conducting research entitled “*Analysis of the Activities of Federal Executive Bodies to Minimize Corruption Risks*”, which covers 51 departments managed by the Government of the Russian Federation. The ultimate goal of this research is to identify possible priority areas and prepare proposals to improve the federal executive authorities’ efficiency in mitigating corruption risks in their respective domains.

Example United Arab Emirates

The SAI mainly takes into account the results of the audit when it proposes to create or amend legislation related to the system of preventing and combating corruption, in addition to its use in designing and implementing audit plans based on the corruption risks assessments, which effectively contributes to strengthening the national policy to prevent and combat corruption.

Direct involvement of SAIs in implementation of national anti-corruption strategies

Example Ethiopia

The National Anti-Corruption Forum in Ethiopia aims at reviewing anti-corruption policies and legislation in the country. Set up by the Federal Ethics and Anti-Corruption Commission, it will include the Office of the Auditor General in its executive body.

Example Latvia

Within the framework of the National Anti-Corruption Plan of Latvia, SAI Latvia and the Corruption Prevention and Combating Bureau (CPCB) collaborate to compile and analyze problems relating to the enforcement of the law on “Prevention of Squandering of the Financial Resources and Property of a Public Person”. This collaboration aims at finding solutions on corruption-related matters, drafting amendments to the legal framework and suggesting improvements to law enforcement.

Example Namibia

SAI Namibia contributes to the implementation of the national anti-corruption strategy through the working with other institutions such as regional councils and local authorities to enhance financial management and auditing. In the implementation of the national anti-corruption strategy SAI Namibia collaborates with the ACB in enhancing budget transparency by strengthening the auditing of public institutions and ensuring that audit reports are produced on time; ensuring regional councils and local authorities’ capacity in financial management and auditing; conducting training courses in public procurement for public entities including internal auditors and private audit firms; developing and enacting the Audit Bill to ensure Auditor-General Reports are followed by rectified accounts.

Example Romania

In order to maximize the fight against corruption, to prevent and quantify the risks and vulnerabilities of corruption, the Romanian Government has adopted the National Anticorruption Strategy (SNA). The Romanian Court of Accounts acceded to it in a public statement, being at the same time an active member of the Platform for Cooperation of Independent Authorities and that of Anti-Corruption Institutions.

After the implementation of all relevant procedures, SAI Romania undertakes an evaluation of the way in which the SNA procedures are implemented at the level of each authority and public institution, both at the central and local levels. Following this, the Romanian Court of Accounts prepares a special report on the degree of implementation of the SNA which includes its own conclusions and recommendations, and which is subsequently presented to the Romanian Parliament.

Example Russian Federation

The Accounts Chamber of the Russian Federation takes part in the development of the National Anti-Corruption Plan – the document that defines the main dimensions of state policy in the field of anti-corruption. The proposals of the Accounts Chamber to the Plan are based on the results of the audits it has conducted, both in the previous budget cycle as well as those that preceded it. In addition, the Accounts Chamber participates, within its mandate, in the implementation of measures listed in the National Anti-Corruption Plan.

Example United Arab Emirates

The SAI has the mandate to follow up on the implementation of the national policy to prevent and combat corruption and to audit it. In this respect, the SAI is responsible for the coordination and cooperation between the various federal and local government entities concerned with preventing and combating corruption.

Audit of implementation of national anti-corruption strategies

Example Albania³⁸

ALSAI conducted a performance audit on the implementation of the anticorruption strategy covering the period from 2015 to 2017. The audit conducted on Albanian Crosscutting Strategy against Corruption and the Action Plan as well as on the National Anti-Corruption Coordinator's role in the implementation of the strategy.

Example Cayman Islands³⁹

In 2018, the Office of the Auditor General conducted an audit with a focus on the national institutional framework for fighting corruption to assess the effectiveness of the mechanisms for preventing corruption at the national level and also more specifically in the infrastructure sector due to the high number of infrastructure development project undertaken in the country. The audit of the infrastructure sector targeted the three planning entities: the Cayman Islands Government's Department of Planning, Central Planning Authority (CPA) and Development Control Board (DCB).

The questions raised, which guided the audit were the following:

- How well-designed is the national framework to prevent corruption?
- How effective is the national framework in preventing corruption at a national level?
- How well-equipped is the infrastructure sector to prevent corruption?

³⁸ Albanian Supreme Audit Institution Performance Audit Department (2017). *Performance Audit Report : The implementation of the anti-corruption strategy*. <https://panel.klsh.org.al/storage/phpRGAIQu.pdf>

³⁹ Office of the Auditor General of the Cayman Islands. *Fighting Corruption in the Cayman Islands*. November 2018. Available at: <https://www.auditorgeneral.gov.ky/powerpanel/modules/custom/html/uploads/pdfs/1547220832Fighting-Corruption-in-the-Cayman-Islands-final-report.pdf>

Example Fiji⁴⁰

In 2019, the Office of the Auditor General of the Republic of Fiji conducted a “Performance Audit of the Effectiveness of Institutional Framework for Preventing Corruption”. At a whole of government level, the audit was conducted on the Fiji Independent Commission against Corruption (FICAC) focusing on the adequacy of its legal and institutional framework and its powers to effectively implement its functions. The audit was also conducted on the FICAC reports to assess its corruption prevention activities. At a sectoral level, the audit was directed towards the Free Education Grant implemented by the Ministry of Education.

Thematic 02

Integration of external audit and corruption risk management processes (Virtuous circle 1)

The “virtuous circles” are areas where the work of SAIs and ACBs should be mutually reinforcing in all countries. It is an area where both report to each other and help build on and strengthen both anti-corruption prevention efforts and audit planning. One effective way to do so is by integrating the external audit and corruption risk management methodologies adopted by each institution as a means of ensuring consistency, avoiding duplication, and more effectively combatting corruption. In recent years, the implementation of corruption risk management processes has been recognized as an important step in combatting corruption and strengthening institutions.

Despite an intention to integrate such processes, the existence of manuals or more formal regulation may not always guarantee the institutional adoption of the corruption risk assessment and mitigation strategy. An effective adoption depends on the engagement of top leadership and on the dissemination of the technique throughout the workforce, in order to incorporate it into the organizational culture. In the context of SAIs, the institutional use of risk assessment and mitigation may depend on the availability and extent of collected information about an identified risk. Some possible challenges that may prevent implementation of a regular corruption risk assessment and mitigation strategy may include:

- A lack of interest in publicizing institutional vulnerabilities that have been identified.
- Individuals may not possess the required level of detail of their organizations.
- Those responsible for identifying corruption risks may subsequently face consequences for correcting them.
- A general reluctance to outline known corruption risks.

One possible option to facilitate the establishment of a corruption risk assessment and mitigation strategy, could be to compile all relevant information in a data pool accessible to the entire control network, which will be able to supplement with new information and update periodically.⁴¹

⁴⁰ Office of the Auditor General of the Republic of Fiji. *Report of the Auditor General of the Republic of Fiji: Performance Audit of the Effectiveness of Institutional Framework for Preventing Corruption*. Parliamentary Paper no. 152 of 2019. Available at: <https://www.parliament.gov.fj/wp-content/uploads/2020/01/PP-No.-152-of-2019-Corruption.pdf>

⁴¹ See, for example, EUROSAI guidance “*Audit of Ethics in Public Sector Organisations*” which deals with some of these risks from an audit perspective: <http://www.eurosai-tfae.tcontas.pt/activities/Guidance/Activities/TFAE20%Guidelines20%to20%audit20%ethics/g-english-TFAEGuidelines20%to20%audit20%ethics.pdf>

Judicial or Napoleonic Model

As the judicial model usually gives the SAI a broader mandate and the SAI may be allowed to investigate and prosecute individuals or entities who violate financial laws. Both the external audit and a corruption risk management process may be useful not only for corruption prevention purposes, but also for investigations. The investigation may be strengthened through the use of the external audit or results from the corruption risk management processes.

However, this may also pose a challenge for the judicial model, as organizations may be more reluctant to exchange information on corruption risk management processes, since they might fear repercussions through an investigation and potential sanctions by the SAI. In any case, jurisdictional SAIs usually have large powers to access information and, in some cases, to punish those that don't facilitate it. This often creates an environment where institutions and individuals prefer to provide all the information they possess.

Parliamentary or Westminster Model

The strength of the SAI in the Parliamentary model is that it usually has mainly an oversight role. This may create a stronger relationship of trust with other authorities and a stronger willingness to share corruption risk management strategies. Authorities being audited may, therefore, be more outspoken during the conducting of corruption risk assessments. Such relationships should be built upon to create a stronger and trusting cooperation together with a culture where individuals feel free to speak.

Use of audit findings to inform risk management processes

Example Austria

In the fight against corruption, the Austrian Court of Audit (ACA) relies upon effective preventive measures, standards and procedures. Already in 2015 and 2016, the "Guideline for Auditing Corruption Prevention Systems (CMS)" was published to enhance transparency and proper management of public affairs and prevent corruption. Thanks to its publication, the Guideline supports also the audited bodies as a code of practice in the establishment of Corruption Prevention Systems. The ACA held audits of Corruption Prevention Systems with the aim to evaluate instruments and administrative measures at four federal ministries (2016), three larger cities (2019) and two public enterprises (ongoing) aimed at determining their adequacy to prevent and fight corruption periodically.

Example Chile

In Chile, the Office of the Comptroller General meets with civil society organization (CSO) representatives for anti-corruption functions from various sectors to raise awareness on how corruption and weak institutions impact on service delivery. Audit reports may be used to train public officials on corruption risk management.

Example Nigeria

Since its 2017 Annual Report, SAI Nigeria has included a section on cross-cutting issues. The intention is to highlight weaknesses and failures that affect several public entities, which lead to significant losses to the exchequer and require system-wide solutions (and not only changes at the ministries and departments that were audited). The section on cross-cutting issues gives the executive the opportunity to issue system wide financial regulations/instructions/circulars that should prevent corruption.

Example United Arab Emirates

The SAI reserves the right to check the systems, works and reports of the internal audit units at the auditees, review and evaluate their reports and work methods and propose the appropriate means to develop them in terms of building the technical abilities or proposing technical, professional and legal tools regulating their work to ensure the optimal management and use of public funds. This is often achieved through direct coordination with the internal audit units based on the audit results in preparing and evaluating corruption risk assessment plans in the federal government.

Use of corruption risk assessment findings to inform audit design

Example Egypt

In line with law establishing the Accountability State Authority (ASA) and the Egyptian auditing standards, and taking into account the corruption cases that were reported by auditees to the ASA or were discovered by law enforcement bodies and ACA, and their consequences (financial and non-financial) on the auditee's financials, the auditor may form a qualified working group familiar with the nature of the business environment of the auditee to discuss, study, analyse and evaluate the inherent risks related to its business and the assessment of preventive and detective controls applied by the auditee's management to mitigate the financial and non-financial effects of these risks to an acceptable limit. This is achieved through various means such as taking note of the management philosophy of the auditee to adopt an effective and efficient internal control system. The Risks Committee keeps risks records for continuous monitoring of business and fraud risks and uses these as a tool for ongoing improvements to the controls to reduce the residual risks.

The foregoing aims to prioritize the implementation of special programs for high-risk items and processes in the auditee before the fiscal year end. Accordingly, the auditor is able to develop an appropriated audit program, reflecting the results of the risk assessment, the financial & non-financial impact of the detected corruption (if any) and results of the special examination programs in the auditee. The audit program determines and includes the nature, extent, and timing of the undertaken audit procedures to obtain sufficient and appropriate evidence to achieve every audit objective for each of the management's assertion related to its financials, which in general leads to reducing audit risks to acceptable levels.

Example Portugal⁴²

The Portuguese Court of Auditors uses all the available information to assess risks in the management of public funds, including fraud and corruption ones, and based on that, select the audits to conduct and design the audit objectives, questions and procedures.

The information gathered by the *Council for the Prevention of Corruption* is available for the SAI, internal audit units and bodies must communicate their reports to the SAI and the Public Prosecutor office also communicates the Court some cases relevant to its mandate. The Court usually asks for the implementation reports concerning the plans for the prevention of corruption.

There is a coordinated national system for the control of public financial management and also for the control of the use of European funding. In this system there are structured mechanisms to share information and to jointly plan the audit work. According to an established legal possibility, the SAI may coordinate its activities with those of the internal audit bodies and inspections, asking them to conduct some audit and investigative work. This has been implemented in some cases. The SAI also participates in task forces to collect, share and assess information from risk assessments, former control activities and current plans.

⁴² <https://thinktank-fundosue.ministeriopublico.pt/https://thinktank-fundosue.ministeriopublico.pt/>

This is the case for the *Think Tank* on the fraud and corruption risks in European funded projects, coordinated by the Public Prosecutor office, where a lot of entities and experts participate (including management authorities, audit and control bodies, enforcement branches, universities, NGOs, banking system, OLAF, etc.).

Furthermore, the SAI has a legal framework, a channel and a unit to receive and investigate whistleblowing information and send it to the concerned audit departments when adequate.

Example United States of America⁴³

The U.S. Government Accountability Office (GAO) has developed a Fraud Risk Management Framework based on the leading practices for managing fraud risk. The GAO conducted focus groups with antifraud professionals as well as interviews with the federal Offices of Inspector General (OIG), national audit institutions from other countries, the World Bank, the Organization for Economic and Co-operation and Development, as well as with experts from the private sector, NGOs, and audit associations. The tool includes control activities to prevent, detect and respond to fraud, with an emphasis on prevention. The tool has been used by the GAO to assess fraud risk at the federal level. The results have been used to inform the audit planning and the audit questions. The Framework also stresses the importance of monitoring and incorporating feedback as an ongoing process.

Audit of implementation of corruption risk management strategies

Example France

Every year, the *Cour des comptes* certifies the accounts of the State, the social security, and several territorial communities. In the process, the magistrates produce, for each ministry, a report on the internal control, and may detect the weaknesses and gaps in the prevention of risks of misconducts and fraud.

Moreover, since France introduced new anti-corruption laws, which obliges public bodies to adopt internal controls, to map internal risks, introduce compliance plans etc. The *Cour de comptes* may check, when auditing these entities, the reality and the efficiency of internal controls to prevent fraud and corruption. For each entity, the *Cour de comptes* analyses the effectiveness of internal controls and examines the mapping of the risks.

In addition, the *Cour des comptes* controlled in the past year the policies and means of prevention and fight against fraud in several major areas, especially the VAT, other mandatory levies, social security contributions, social security benefits, and the means of combatting financial crime. Seeing progress but denouncing several weaknesses, the *Cour des comptes* issued recommendations such as more simple laws, more exchanges of information between authorities and between investigating entities, increasing use of the TICs and international cooperation.

Example Portugal⁴⁴

In 2019, upon request of the parliament, the Portuguese Court of Auditors completed an audit of a special fund set up by the government to manage donations for victims and to revitalise areas affected by devastating forest fires. In this audit, the Court assessed whether the fund was functioning as an adequate instrument to disburse humanitarian aid, and whether the controls in place were effective in safeguarding integrity and compliance and in ensuring accountability in the use of funds. In particular, the audit evaluated the strengths and weaknesses of the ethics component within the control environment, examining whether it was conducive to identifying and mitigating integrity risks.

⁴³ <https://www.gao.gov/products/gao-15-593sp>

⁴⁴ <https://www.tcontas.pt/pt-pt/ProdutosTC/Relatorios/RelatoriosAuditoria/Documents/2019/rel020-2019-2s.pdf>

The audit identified that management and control systems for the disbursement of funds could have been much more effective to prevent risks of fraud, corruption or unethical conduct. The criteria to provide aid were not clear enough, integrity risks were not assessed, and staff were not provided with guidance in this respect. Furthermore, no potential conflicts of interest were analysed, physical verifications were not conducted and procedures and decisions were too concentrated in the offices of local staff and politicians. The Court recommended that these aspects are carefully considered in future situations. Findings and recommendations also addressed the lack of a dedicated policy, specific legal framework and provisional planning system for solidarity donations and aid; the lack of specific ethical guidelines for the management of donations and aid; and the need to reinforce transparency and participation mechanisms and practices.

Example United Arab Emirates

Public authorities need to implement a framework to identify and manage corruption risks. The SAI has issued a best practice guide to support this process. In coordination with the SAI, the Internal audit has the responsibility of conducting the assessment of corruption risks on an annual basis. These must be reported on time to the director of internal audit. The director of the SAI takes into account the results of the implementation process when developing the annual reporting plan to ensure that the internal audit office examines the controls related to corruption risks and submits a report on the status of controls to the ministers.



Thematic 03

The role of SAIs in the implementation of Articles 7-14 UNCAC

UNCAC provides a comprehensive framework for the prevention of corruption. Specifically, the provisions under Chapter II, including articles 7 to 14, provides guidance to State parties on measures to adopt to prevent corruption. These measures are to be taken into account by ACBs and SAIs in their efforts to prevent corruption.

In order to effectively hold governments and public bodies accountable for a good use of public resources, the SAI must conduct all its activities in accordance with the fundamental principles of independence, transparency, ethics, quality and accountability. An independent and professional SAI lives the principles that it expects from the audited public sector entities, leading by example⁴⁵.

The INTOSAI Code of Ethics (ISSAI 130) provides SAIs and the staff working for them with a set of values and principles on which to base ethical behaviour. SAIs and SAIs' staff's decisions should be driven by five fundamental ethical values: integrity, independence and objectivity, competence, professional behaviour and confidentiality and transparency. The Code specifically addresses the responsibilities of SAIs in promoting and safeguarding ethics and ethical values. For this purpose, it establishes "*Overall Responsibilities of SAIs*" to implement ethics in their institutions, as follows:

- Adopting and implementing a code of ethics and making it public;
- Emphasising the importance of ethics and promoting an ethical culture;
- Setting the tone at the top by the actions and example of the SAI's leadership;
- Requiring the engagement of staff and external providers in ethical conduct and providing them guidance and support;
- Implementing an ethics control system;
- Solving conflicts between ethical requirements.

⁴⁵ See INTOSAI-P 12 and ISSAI 130.

Several guidance has been issued to support SAIs in implementing the Code of Ethics of INTOSAI. Among this guidance, EUROSAI has developed an “Ethical SAI” Maturity Model⁴⁶, intended to provide SAIs with a tool to encourage a step-by-step approach in implementing ISSAI 130 requirements, to define levels of compliance with the ISSAI and to offer SAIs a vision on how they can go even further. The tool can be used when SAIs conduct self-assessments and internal and external reviews, mainly to identify and analyse possible weaknesses and recommend measures for improving ethics management.

Article 7. Public sector

1. Each State Party shall, where appropriate and in accordance with the fundamental principles of its legal system, endeavour to adopt, maintain and strengthen systems for the recruitment, hiring, retention, promotion and retirement of civil servants and, where appropriate, other non-elected public officials:

- (a) That are based on principles of efficiency, transparency and objective criteria such as merit, equity and aptitude;
- (b) That include adequate procedures for the selection and training of individuals for public positions considered especially vulnerable to corruption and the rotation, where appropriate, of such individuals to other positions;
- (c) That promote adequate remuneration and equitable pay scales, taking into account the level of economic development of the State Party;
- (d) That promote education and training programmes to enable them to meet the requirements for the correct, honourable and proper performance of public functions and that provide them with specialized and appropriate training to enhance their awareness of the risks of corruption inherent in the performance of their functions. Such programmes may make reference to codes or standards of conduct in applicable areas.

2. Each State Party shall also consider adopting appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to prescribe criteria concerning candidature for and election to public office.

3. Each State Party shall also consider taking appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to enhance transparency in the funding of candidatures for elected public office and, where applicable, the funding of political parties.

4. Each State Party shall, in accordance with the fundamental principles of its domestic law, endeavour to adopt, maintain and strengthen systems that promote transparency and prevent conflicts of interest.

Example Brazil

In Brazil, there are dedicated courts that monitor elections. The Superior Electoral Court (TSE) is committed to the transparency of all information related to the elections such as publicizing general information of approved candidates, debarred candidates, accountability of public and private funding, results, legislation, and court jurisprudence. As such, there are competent institutions to monitor the elections of public officials. Nevertheless, the Court of Accounts (TCU) works alongside TSE to enhance the transparency of the electoral process. The TCU also examines the legality of personnel admission and retirement grants or benefits. Regarding the federal budget execution, the TCU has the role to assess a public official's accounts. These decisions are publicly available, including the list of debarred individuals that cannot occupy public employment (for a limited time) or companies that cannot do business with the public administration.

⁴⁶ See [http://www.eurosai-tfae.tcontas.pt/activities/Guidance/Activities/TFAE%20Guidelines%20to%20implement%20ISSAI%20130-%20Part%20III/2021TFAE_Maturity%20Model-EthicalSAIs%20\(fs\)%20PART-III.pdf](http://www.eurosai-tfae.tcontas.pt/activities/Guidance/Activities/TFAE%20Guidelines%20to%20implement%20ISSAI%20130-%20Part%20III/2021TFAE_Maturity%20Model-EthicalSAIs%20(fs)%20PART-III.pdf)

Example Chile

The Office of the Comptroller General of Chile, in collaboration with the United Nations Development Programme (UNDP), has led the Anti-Corruption Alliance UNCAC since 2012. Its main objective is to design and develop actions that allow compliance with UNCAC principles, such as implementing codes of ethics in the public sector, promoting good practices, and legislative follow-up to strengthen national efforts to combat corruption.

This permanent and voluntary work initiative comprises 32 entities from the public, private, academic, and civil society sectors that collaborate in five working groups: promotion of integrity, capacity building, good practices, legislative proposals, and communications.

Example France

The French public sector relies on competition and merit for the recruitment and hiring, and on a scoring system for the promotion and rewards to civil servants. The rotations are subject to transparency requirements, including the publicity of the vacancy and its requirements.

As part of their audits, financial jurisdictions ensure compliance with these rules. In cases of breach, for example in the field of salaries and rewards, the accountant who has paid is required to reimburse, and the manager can be fined by the Cour de discipline budgétaire et financière (CDBF).

In the area of elections to public offices, the Conseil constitutionnel is mandated to guarantee fairness of the elections, and several magistrates from the Cour des comptes form part of the process as rapporteurs. Concerning the funding of candidatures, the Commission des comptes de campagne et des financements politiques checks the account of the candidates. Three members of this committee are magistrates from the Cour des comptes, among them the president, and several other magistrates act as rapporteurs.

Example Russian Federation

Since 2019, the Accounts Chamber of the Russian Federation has been preparing an annual report entitled "Openness of the State in Russia". The report is drawn on the assessment of 70 federal executive bodies in three areas: openness of information, openness of data and openness of dialogue with citizens. Based on the recommendations produced by the Accounts Chamber, the executive authorities are improving their work in priority areas that were identified, with the results of their efforts being reflected in the subsequent iterations of the report.

Example United Arab Emirates

Decree No. 11 of 2008 regarding human resources in the federal government regulates the recruitment, promotion and retirement of public employees. Its scope of application includes all civil employees who receive their salaries from the State's general budget. A system has been established to prevent conflicts of interest, pursuant to Cabinet Resolution No. 15 of 2010 approving the Document of Principles of Professional Conduct and Public Job Ethics, which applies to all public officials in the country.

The Supreme Audit Institution of the United Arab Emirates (SAI UAE) verifies, through its audits, all civil servant files in the auditee organizations and ensures that the recruitment processes undertaken by auditees were in accordance with the controls and conditions specified in the law. It also verifies the existence of any conflicts of interest, especially in the areas of recruitment and procurement.

SAI UAE periodically provides training programs for employees in other public organizations, where a plan has been prepared in coordination with the organization in question, which in turn nominates those employees it deems appropriate to participate in the courses offered by SAI UAE related to the protection of public funds and the prevention of corruption. All of these programs and initiatives are flexible enough to allow the inclusion of specialized training courses in order to raise awareness of the risks of corruption.

Article 8. Codes of conduct for public officials

1. In order to fight corruption, each State Party shall promote, inter alia, integrity, honesty and responsibility among its public officials, in accordance with the fundamental principles of its legal system.
2. In particular, each State Party shall endeavour to apply, within its own institutional and legal systems, codes or standards of conduct for the correct, honourable and proper performance of public functions.
3. For the purposes of implementing the provisions of this article, each State Party shall, where appropriate and in accordance with the fundamental principles of its legal system, take note of the relevant initiatives of regional, interregional and multilateral organizations, such as the International Code of Conduct for Public Officials contained in the annex to General Assembly resolution 51/59 of 12 December 1996.
4. Each State Party shall also consider, in accordance with the fundamental principles of its domestic law, establishing measures and systems to facilitate the reporting by public officials of acts of corruption to appropriate authorities, when such acts come to their notice in the performance of their functions.
5. Each State Party shall endeavour, where appropriate and in accordance with the fundamental principles of its domestic law, to establish measures and systems requiring public officials to make declarations to appropriate authorities regarding, inter alia, their outside activities, employment, investments, assets and substantial gifts or benefits from which a conflict of interest may result with respect to their functions as public officials.
6. Each State Party shall consider taking, in accordance with the fundamental principles of its domestic law, disciplinary or other measures against public officials who violate the codes or standards established in accordance with this article.

Example Chile

The Anti-corruption Alliance UNCAC Chile, led by the Office of the Comptroller General of Chile, in collaboration with UNDP, is currently supporting the development of codes of ethics in 70 local governments. The initiative includes capacity-building on integrity, technical support, and expert advisory to formulate the codes, engaging the most relevant actors through a participatory process.

In addition, since 2016 the Office of the Comptroller General of Chile has been responsible for receiving, verifying, and overseeing the Interests and Assets Declarations issued by over 100,000 authorities and civil servants. Therefore, the Office of the Comptroller General has access to multiple internal and external database to detect conflict of interests.

Example Egypt

The Accountability State Authority (ASA) approved the Egyptian General Charter of Ethics and Conduct for Practitioners of the Accounting and Auditing Profession. ASA auditors are obligated to perform their work in accordance with such standards and the international standards of INTOSAI. To ensure the quality of its audit works, the ASA possesses an internal technical inspection team which examines the audit works of its auditors.

Example India

The conduct of employees of the Supreme Audit Institution of India are regulated through the Central Civil Services (Classification, Control & Appeal) Rules 1965 (CCS CCA Rules). These rules are framed to regulate the general behaviour of public officials, to secure their full commitment towards the implementation of public policies, and to set moral standards of behaviour. Additionally, the Indian Audit and Accounts Department has brought out 'Code of Ethics for IAAD' incorporating the values and principles contained in the [CCS \(CCA\) Rules](#) and adapting the broad principles contained in the INTOSAI Standards, thus representing the general ethical requirements prescribed for civil servants in India and the specific requirements for auditors.

Example Italy

In the framework of general provisions included in the Presidential Decree No. 62/2013, each public institution has to adopt a specific code of conduct. In this regard, the Italian National Anti-Corruption Authority (ANAC) also defines criteria, guidelines and standard models for the code of conduct regarding specific administrative areas as specification and integration of the general code of conduct for the public sector.

Examples Philippines⁴⁷

Republic Act No. 6713 governs the “Code of Conduct and Ethical Standards for Public Officials and Employees”, constituting the policy of the State to promote a high standard of ethics in public service. Public officials and employees shall at all times be accountable to the people and shall discharge their duties with utmost responsibility, integrity, competence, and loyalty, act with patriotism and justice, lead modest lives, and uphold public interest over personal interest.

Example Romania

According to the procedures and standards of internal ethics and integrity, auditors of the Romanian Court of Accounts are obliged to complete and submit a declaration of independence at the beginning of their audit engagement regarding the possible existence of a conflict of interest/incompatibility in connection with the audited entity, or other situations of possible interdictions. Thus, the Romanian Court of Accounts ensures the lack of any influences in connection with the specific activity carried out by the external public auditors within the audit missions.

Example Russian Federation

The purpose of the Code of Ethics and Service Conduct for Civil Servants of the Accounts Chamber is to establish ethical norms and rules of official behaviour of civil servants for the worthy performance of their professional activities, as well as to strengthen citizens’ confidence in the Account Chamber’s integrity. The Accounts Chamber standards facilitate mandatory implementation of anti-corruption measures preventing conflicts of interest along with obligatory external assessment of such measures with the conclusions reflected in the relevant reports.

Example United Arab Emirates

In order to encourage the highest level of implementation of professional ethics and its advantages in developing professionalism in the public sector as well as increasing accountability in this regard, the UAE’s government has implemented high level of accountability through laws such as Cabinet Resolution No. 15 of 2010. The Resolution approved a document on the principles of professional conduct and ethics for the public service, Law No.11 of 2008 regarding Federal Human Resources and its amendments, and some articles in Cabinet Decision No.4 of 2019 regarding the regulation of procurement and warehouse management in the

federal government and its amendments contesting conflict of interest, and the most recent decree is Cabinet Resolution No. (1/1u) of 2022 regarding the Federal Government’s digital procurement policy. These laws have resulted in the honest, impartial and objective performance of public duties as well as to contribute effectively towards achieving the objectives of each public entity. As a result, SAI UAE auditors are obligated to sign a code of ethics declaration to ensure their compliance with ethical requirements before the commencement of an audit and throughout the audit process. The declaration covers integrity, independence, conflict of interest, confidentiality, and professional competence as well as due care. Further, SAI UAE, as part of INTOSAI, benefits from the framework of professional pronouncements (ISSAI30) which reflect the international ethics of the profession of auditors in the public sector.

⁴⁷ R.A. No. 6713 and Implementing Rules of R.A. No. 6713, Available at: <http://www.csc.gov.ph/2014-02-21-08-28-23/pdf-files/category/168-ra-6713-code-of-conduct-and-ethical-standards.html>

Article 9. Public procurement and management of public finances

1. Each State Party shall, in accordance with the fundamental principles of its legal system, take the necessary steps to establish appropriate systems of procurement, based on transparency, competition and objective criteria in decision-making, that are effective, inter alia, in preventing corruption. Such systems, which may take into account appropriate threshold values in their application, shall address, inter alia:

- (a) The public distribution of information relating to procurement procedures and contracts, including information on invitations to tender and relevant or pertinent information on the award of contracts, allowing potential tenderers sufficient time to prepare and submit their tenders;
- (b) The establishment, in advance, of conditions for participation, including selection and award criteria and tendering rules, and their publication;
- (c) The use of objective and predetermined criteria for public procurement decisions, in order to facilitate the subsequent verification of the correct application of the rules or procedures;
- (d) An effective system of domestic review, including an effective system of appeal, to ensure legal recourse and remedies in the event that the rules or procedures established pursuant to this paragraph are not followed;
- (e) Where appropriate, measures to regulate matters regarding personnel responsible for procurement, such as declaration of interest in particular public procurements, screening procedures and training requirements.

2. Each State Party shall, in accordance with the fundamental principles of its legal system, take appropriate measures to promote transparency and accountability in the management of public finances. Such measures shall encompass, inter alia:

- (a) Procedures for the adoption of the national budget;
- (b) Timely reporting on revenue and expenditure;
- (c) A system of accounting and auditing standards and related oversight;
- (d) Effective and efficient systems of risk management and internal control; and
- (e) Where appropriate, corrective action in the case of failure to comply with the requirements established in this paragraph.

3. Each State Party shall take such civil and administrative measures as may be necessary, in accordance with the fundamental principles of its domestic law, to preserve the integrity of accounting books, records, financial statements or other documents related to public expenditure and revenue and to prevent the falsification of such documents.

Example Brazil

Newly adopted legislation in Brazil on public bidding and contracting has brought several changes: Regarding control, the law expressly determines that public contracting must be subject to continuous and permanent risk management and preventive control practices, including through the adoption of information technology resources. In line with the 2021 law, public procurement will be controlled by three “lines of defense” integrated by the following:

1. Public servants and employees, bidding agents and authorities that act in the governance structure of the organ or entity;
2. Legal counseling and internal control units of the body or entity itself;
3. The Administration’s central internal control body and by the court of accounts.

In Brazil, control of public spending is performed both by the internal controls of the institutions themselves and by the TCU (SAI) and the National Congress as the principal of the external control. However, every citizen is entitled to exercise “social control” and to contribute to the appropriate use of public funds. According to the law, any person (bidder, legal entity or individual) has the right to file a complaint to internal control bodies and the Federal Court of Accounts against irregularities in its application.

The role of the TCU is to ensure that government bodies comply with the relevant legal provisions, a work that is undertaken in cooperation with the main internal control body (Comptroller General). Other important TCU systematic efforts are the annual inspection plan of public works called “Fiscobras”, which consists of the selection of audits of public works contracts carried out with federal resources based on criteria of materiality, resources involved, geographical location and social relevance, including projects, public announcements and running works, in order to support budgetary decisions by the National Congress. This work consists of a specialized compliance audit, focused on identifying possible irregularities in the use of the federal budget and in mitigating financial loss, as well as the proposition of corrective measures.

The TCU also audits the effectiveness of government programs and “public policies” that, in the long run, may achieve better results than compliance audits as it can preempt bad investment decisions.

Example France

The main law applicable in the French system is the Order on public procurement, which organizes a transparent and fair competition for public procurement and provides a frame for the decision-making. Through their audits, financial jurisdictions ensure compliance with the rules, by auditing the procurement function, and making a comprehensive review of selected contracts, for which they control the decision process and the correct implementation. In case of breach, they can order a reimbursement to the accountant, or handover the case to the *Cour de discipline budgétaire et financière* (CDBF) to fine the manager. If there is a suspicion of favoritism, the case will be forwarded to a judicial prosecutor.

The *Cour des comptes* may also conduct specific audits for very important procurement contracts. For example, the public-private partnership for building the new headquarters of the Ministry of Defence (Balard); the restoration works of the Notre-Dame, the torched Paris cathedral, or in the case of the next Paris Olympic games, etc.

In the area of financial management, the French financial jurisdictions audit the compliance of public entities with rules about budgetary and financial management. Once a year, the *Cour des comptes* certifies public accounts (State, Social security, major local communities) and publishes a report on budgetary implementation.

Example India

SAI India audits the procurement function as part of performance audit or during the course of Compliance and Financial Audits. Depending on assessed risks, nature of the institution, subject matter and objective of the audit, the scope and extent of the audit are decided. Where an audit is planned to focus on value for money assertions and performance of the procurement function, generic or specific checklists are used. Apart from the Guidelines on Performance, Compliance and Financial Audits, the IAAD also has a ‘Practice Guide for Audit of Procurement’.

Audit of the procurement function is structured around the five ‘R’s of procurement viz. Right Quality; Right Quantity; Right Price; Right Time and Place; and Right Source. The audits broadly cover:

- Organisational Management of the Procurement Function – Accountability, Governance and Robustness
- Preparation for the procurement-Consistency

- Choice of procurement procedure–Fitness for purpose, value added, meeting public needs, competitiveness, Economy, Efficiency and Effectiveness
- E-procurement
- Publicity and Notifications
- Selection and Award Procedures – Equity, Integrity, Regularity, Fair Dealing and Transparency
- Additional Works or Deliveries

SAI India has also carried out the audit of Government e-Marketplace (GeM), a portal to enable Government Departments, Government Ministries, Public Sector Undertakings and other apex autonomous bodies of the Central Government to procure goods and services. The audit of the GeM process involved examination of:

- Authenticity, non-reputability and integrity of the e-bidding process in GeM,
- Input controls for buyer and seller registration and verification.
- Accuracy and completeness of legacy data.
- Extent of coverage and usage.
- Extent of mapping of extant business rules and regulations.
- Incident resolution mechanism.

Example Italy

The Corte dei Conti, conducts ex-ante and ex-post audits. Ex-ante compliance audits by the Corte dei Conti are generally performed on the most important supply contracts and awards of tenders. This is a legitimacy audit controlling the statutory compliance of instruments and measures. No assessments are made as to the merits of the measures. Thus, the Corte dei Conti can detect the misuse and waste of public money at the source and ensure the most efficient use of public funding. The Court also has the power to perform performance audits on any tendering procedure convened by the Government, Regions or local authorities. Ex-post performance audit involves all the activities of public administration bodies or State-owned undertakings with the aim of assessing the despondence and compliance of results with the objectives laid down by the law. The audits pay special attention also the management of public resources in terms of effectiveness, efficiency and cost-effectiveness. Moreover, the Chamber or judge in charge of the audit should inform the competent Public Prosecutor on any facts and behaviours which might cause an alleged damage to public finances.

The Corte dei Conti has the duty to assess the effectiveness of internal controls that each public administration entity or body must have in place, these should ensure the efficient fulfilment of tendering procedures and which should protect integrity-related goals and objectives. Indeed, the lack of internal controls can pave the way for illicit conduct and mismanagement of public money, which often are linked to corruption. In case of inefficient internal controls, the audit reports are submitted to the Public Prosecutor who can initiate an investigation and eventually can bring liability actions to the Corte dei Conti's Jurisdictional Chambers.

Italy has decided to centralize both the fight against corruption and the regulation and supervision of public contracts in the National Anti-Corruption Authority (ANAC), given that public procurement represent the area most exposed to the risk of corruption.

In this field, ANAC pursues its goals through regulatory and supervisory activities, holds an advisory function and, in certain instances, inspection and sanctioning powers. These tasks are accompanied by an important monitoring activity through the collection of data on public tenders. For this purpose, ANAC has set up a National Database on Public Contracts (BDNCP).

The BDNCP is a database that collects, integrates and reconciles data concerning public contracts transmitted by contracting authorities. The system is open to interoperability, under application cooperation, both with internal systems of ANAC, and with similar systems of other administrations. The BDNCP incorporates all of the information contained in existing databases, including at the territorial level, in order to ensure unified accessibility, transparency, accountability and traceability of the whole procurement process. ANAC establishes the modalities for the holders of such databases, subject to signatures of interoperability protocols, to ensure the consistency of the data. This database is available to the public through ANAC's institutional website, in order to increase the transparency of the national market.

Example Portugal⁴⁸

The Portuguese Court of Auditors has a long tradition and experience in auditing public procurement compliance and performance. It also conducts a priori and real time audit over many specific public procurement procedures, focusing on major contracts and the way they conform with competition and transparency principles as well as objective selection criteria and cost-benefit analysis.

During the COVID-19 pandemic lighter procurement procedures were adopted to speed up the response to the pandemic and ensure the purchase and supply of medical equipment. These lighter procedures exposed the procurement to new risks of corruption. Later, these lighter procedures were expanded for recovery activities in priority areas. A special ad hoc independent commission was set up to review the current legislation on public procurement procedures and which has the power of making recommendations to the Parliament. The Portuguese Court of Account has been collaborating with the Commission in its role of oversight of these special procurement procedures. The collaboration between the SAI and the Commission reverts around the identification of potential concrete risks of corruption and on the division of responsibility in performance of the oversight function. One of the outcomes of the joint work was the formulation of recommendations on data quality of public databases, specifically on how to ensure liability of the information in the database.

Example Russian Federation

The aggregator portal “Gosraskhody” (Public Spending), launched by the Accounts Chamber of the Russian Federation in 2019, is aimed at increasing transparency of the budget. It launched the modules “State Programs”, “Budget” and “Organizations”, which accumulate field-specific information and allow the tracing of financial flows (i.e., from the approval of the federal budget to the issuance of government contracts and subsidies).

The “Unified Information System in the Field of Public Procurement” contains data on the procurement contracts' execution, a unified registry of dishonest contractors, an inventory of complaints, inspections (results and issued orders), a catalogue of goods, works, services to ensure state and municipal needs, etc.

Example United Arab Emirates

In the UAE, all procurement procedures across all stages are outlined in the procurement law. The law regarding the control of these systems is under the control of the Ministry of Finance, with the Supreme Audit Institution of the UAE (SAI UAE) required by law to audit those government entities.

SAI UAE as an external auditor is required to prepare an audit plan annually, based on a risk assessment and by understanding each public institution and its control environment, evaluation and implementation of internal controls, preliminary analytical procedures, and the matters arising from audit team meeting proceedings the

⁴⁸ The Portuguese Court of Accounts published many studies on COVID-19 and its impact on the work of the SAI. The studies can be accessed here: <https://erario.tcontas.pt/en-us/content/activity/covid-19.html>

work of internal auditors. This information helps to identify risk, determine the audit objectives and the audit work to be performed. In 2018, SAI UAE established an internal department that has access to systems that are used in the entities that are audited by SAI UAE, especially the procurement system. Experienced staff are tasked with extracting and analyzing data to identify the risk indicators along with providing audit sampling.

SAI UAE notifies the auditees of the audit results and, where applicable, provides observations on any deficiencies identified that they must address within one month. Many of these reports are also published on the SAI's website. In addition, the Federal National Council receives an annual report from the SAI UAE and invites its President to attend and discuss in dedicated sessions related to the reports

Article 10. Public reporting

1. Taking into account the need to combat corruption, each State Party shall, in accordance with the fundamental principles of its domestic law, take such measures as may be necessary to enhance transparency in its public administration, including with regard to its organization, functioning and decision-making processes, where appropriate. Such measures may include, inter alia:

- (a) Adopting procedures or regulations allowing members of the general public to obtain, where appropriate, information on the organization, functioning and decision-making processes of its public administration and, with due regard for the protection of privacy and personal data, on decisions and legal acts that concern members of the public;
- (b) Simplifying administrative procedures, where appropriate, in order to facilitate public access to the competent decision-making authorities; and
- (c) Publishing information, which may include periodic reports on the risks of corruption in its public administration.

Example Austria

As the Austrian Court of Audit (ACA) publishes all its audit reports on its website, insight into public decision-making processes is also given to individuals and groups outside the public sector; this also raises public awareness about the danger of corruption. Through this approach, public decision-making processes are to be made more transparent and the participation of the public is to be increased. The ACA publishes about 60 audit reports per year. Also, the following documents are published: guidelines (e.g., Guideline for Auditing Corruption Prevention Systems (CMS)), consultations on draft legislation, the Income Report or the Report on the Federal Financial Statements).

Example Brazil

Public reporting and accountability are considered a Brazilian constitutional principle. To reinforce that principle, Law 12527/2011 sets clear provisions about the necessity of transparency, accountability and transparency of all state institutions, public companies, and government acts. The law also set mandatory guidelines concerning public reporting.

The importance of the disclosure of information of public interest, regardless of requests, is particularly relevant. Even though transparency of information may be mandatory, the need to request information may impact "social control" by limiting it to a group of people or organizations with interest and time. The broad exercise of social control is only possible when there is active transparency from the State, that is, when institutions periodically disclose information of public interest without the need for requests.

The TCU aims to act as a reference in promoting an effective, ethical, timely, and responsible Public Administration. In achieving its goals, the TCU remains open to criticism and feedback, which are used to inform its corrective actions.

Example Egypt

At the legislative level, the law of Accountability State Authority (ASA) states that the ASA must submit reports on the final accounts of the State's general budget to the concerned authorities, including the House of Representatives (HR), within two months from the date of their receipt to the ASA. The ASA also provides the President, the Prime Minister, and the HR annual reports on the general results of its audit reports, or any other reports it is asked to prepare.

Based on the request of the HR, the ASA's Central Department of Reports and People's Assembly Affairs is responsible for directly contacting the HR and attending the sessions of the HR to discuss the report in question. Such a request for clarification happens in the context of supporting and strengthening the relationship between the ASA and representatives of the Egyptian people in HR, within the framework of supporting and strengthening the relationship between the ASA and the HR's members in taking note of the use of public funds and implementing the State's fiscal plans to enhance transparency.

Example France

The annual report of financial jurisdictions – which is widely reviewed and commented on by the French media – presents the results of their activities, and most of the reports that were published. From 2025 onwards, every report issued will be published.

The Cour des Comptes issues every year a report on State budgetary implementation, and reports on certification of State accounts, social security accounts and the most important local communities accounts. It also issues an annual report on the state of the public finances. As such, in the last few years, the Court issued public reports about the way administrative bodies prevent and fight fraud: compulsory levy fraud (taxes and social contributions), welfare benefit fraud, economic and financial crime.

Example India

Through a process of structured and diligent internal consultation, SAI India has developed a formal set of Auditing Standards in line with existing fundamental auditing principles of the framework of the International Standards of Supreme Audit Institutions (ISSAIs). The Standards include reporting standards which set out clear principles for audit reporting emphasizing the qualities of accuracy, objectivity, clarity, conciseness, constructiveness and timeliness. The process of reporting of audit findings involves a series of thorough and systematic steps which are clearly documented.

The reports are tabled in the Parliament/State Legislatures and subsequently placed on the public domain. In the interest of greater public outreach, press releases are prepared explaining key findings in a non-technical language.

Example Portugal

The principle of open administration or "open file principle" is one of the core principles that guide administrative activities in Portugal. According to it, the public administration must be open, clear, transparent and accessible. The Constitution states the right to access administrative information and two main legal instruments implement it: the code of administrative procedure and the law on access to administrative documents.

This principle functions as a control mechanism of the public administration and is an essential parameter of its relationship with citizens. Relevant public information is actively disclosed on websites to ensure the transparency of administrative activity, in particular when related to the operation and control of public management.

According to law, the Portuguese SAI is bound by a principle of publicity applied to processes in the Court, dictating that these must be accessible to individuals whose interest is considered to be relevant, provided that the legal restrictions are respected. All audit reports and decisions of the SAI are publicly published.

Protection of personal data is also a principle, stated in European and national legislation, and must be balanced with this open file and publicity principles. This balance is not an easy task, particularly in what relates to the use of databases for anti-corruption activities.

Example United Arab Emirates

Access to information in the UAE is regulated by the Open Data Specification Guidelines, which constitute a set of guidelines that government entities use when following an open data policy on their websites. The policy permits the disclosure of governmental information and its proactive dissemination. The policy also facilitates the public's access to government data and information, as all federal entities in the UAE have open data and publications that are available to the public on their respective electronic portals.

SAI UAE communicates the results of its audit in the form of reports that include its observations and requests and transfers them to the concerned authorities. These bodies are represented in the President of the State, the Cabinet, the Federal National Council, the Ministry of Finance and the Auditees. The law provides the possibility of publishing many of these reports on the SAI's website, which also includes activities/information that will facilitate public access to it.

Article 11. Measures relating to the judiciary and prosecution services

1. Bearing in mind the independence of the judiciary and its crucial role in combating corruption, each State Party shall, in accordance with the fundamental principles of its legal system and without prejudice to judicial independence, take measures to strengthen integrity and to prevent opportunities for corruption among members of the judiciary. Such measures may include rules with respect to the conduct of members of the judiciary.
2. Measures to the same effect as those taken pursuant to paragraph 1 of this article may be introduced and applied within the prosecution service in those States Parties where it does not form part of the judiciary but enjoys independence similar to that of the judicial service.

Example Portugal

In Portugal, all courts and judges are fully independent from any other branches of executive and legislative powers. Several guarantees of this independence are established by the Constitution and laws of the country.

The SAI is considered as a supreme court of the judicial system and, so, all independence safeguards of courts are applied to the institution and its members. The Portuguese SAI also complies with the independence requirements of INTOSAI-P 1 and INTOSAI P-10. Weaknesses pertain to the availability of financial and human resources, which need some government support.

Integrity of judges, prosecutors and members of the Portuguese Court of Auditors with a judicial statute is regulated in their statutory provisions. These provisions establish duties and limitations, such as the prohibition of judges to conduct any other professional activity, the explicit prohibition of them having any political activity, the principle that they are given cases to judge in an aleatory way, a strict regulation on conflicts of interests and impediments to participate in processes where a suspicion towards their impartiality may rise or appear to rise. Several mechanisms of control are applied, such as review of their decisions by a higher court, in case of appeals, and duties of the Public Prosecutor to give opinions and assurance on the legality of the judicial action.

The members of the judiciary are also bound by the obligation of declaring their interests, property and income. The members of the Court of Auditors commit to a specific Ethical Chart and a Code of Conduct (the first one to be approved within the judiciary) and there is a duty to declare interests and gifts and hospitality. There is also an ethics committee to monitor the implementation of the code of conduct (see <https://www.tcontas.pt/pt-pt/etica/Pages/etica.aspx>).

Article 12. Private sector

1. Each State Party shall take measures, in accordance with the fundamental principles of its domestic law, to prevent corruption involving the private sector, enhance accounting and auditing standards in the private sector and, where appropriate, provide effective, proportionate and dissuasive civil, administrative or criminal penalties for failure to comply with such measures.

2. Measures to achieve these ends may include, inter alia:

- (a) Promoting cooperation between law enforcement agencies and relevant private entities;
- (b) Promoting the development of standards and procedures designed to safeguard the integrity of relevant private entities, including codes of conduct for the correct, honourable and proper performance of the activities of business and all relevant professions and the prevention of conflicts of interest, and for the promotion of the use of good commercial practices among businesses and in the contractual relations of businesses with the State;
- (c) Promoting transparency among private entities, including, where appropriate, measures regarding the identity of legal and natural persons involved in the establishment and management of corporate entities;
- (d) Preventing the misuse of procedures regulating private entities, including procedures regarding subsidies and licences granted by public authorities for commercial activities;
- (e) Preventing conflicts of interest by imposing restrictions, as appropriate and for a reasonable period of time, on the professional activities of former public officials or on the employment of public officials by the private sector after their resignation or retirement, where such activities or employment relate directly to the functions held or supervised by those public officials during their tenure;
- (f) Ensuring that private enterprises, taking into account their structure and size, have sufficient internal auditing controls to assist in preventing and detecting acts of corruption and that the accounts and required financial statements of such private enterprises are subject to appropriate auditing and certification procedures.

3. In order to prevent corruption, each State Party shall take such measures as may be necessary, in accordance with its domestic laws and regulations regarding the maintenance of books and records, financial statement disclosures and accounting and auditing standards, to prohibit the following acts carried out for the purpose of committing any of the offences established in accordance with this Convention:

- (a) The establishment of off-the-books accounts;
- (b) The making of off-the-books or inadequately identified transactions;
- (c) The recording of non-existent expenditure;
- (d) The entry of liabilities with incorrect identification of their objects;
- (e) The use of false documents; and
- (f) The intentional destruction of bookkeeping documents earlier than foreseen by the law.

4. Each State Party shall disallow the tax deductibility of expenses that constitute bribes, the latter being one of the constituent elements of the offences established in accordance with articles 15 and 16 of this Convention and, where appropriate, other expenses incurred in furtherance of corrupt conduct.

Example Brazil

In Brazil, the competence of the Federal Court of Accounts applies when federal resources are involved in public procurement. Similarly, the competence of State Audit Courts is established when state resources are present. This means that private companies, while paid by public funds, are subject to audit and supervision by the Courts of Accounts.

It is also important to highlight that the legislative framework of some countries allows the criminal liability of legal entities, while in other countries, only the criminal liability of individuals is possible, as is the case in Brazil. However, in this latter case, legal entities are still subject to civil and administrative liability when they have committed illegal acts through their representatives. TCU decisions demonstrate that holding companies can be held liable for the acts of their subsidiaries when the latter should have known, benefited, or deliberately neglected its duty of care.

Currently, the relevant law states that parent companies and related companies are directly liable for fraudulent acts in public contracts carried out by their subsidiaries. The application of this provision is not simple, since the organization of companies in economic groups can be very complex. In this case, it would be appropriate to require state contractors to provide information about holding companies and related companies, signing an agreement acknowledging that they may be held liable for fraudulent acts committed by their contractors.

Example Chile

The Anti-corruption Alliance UNCAC Chile, led by the Office of the Comptroller General of Chile, in collaboration with UNDP, developed a publication entitled *"Foundations for integrity systems in the private sector."* The publication is a direct result of a series of dialogues on "Integrity and compliance in the private sector" with experts and relevant actors from the private and international sphere.

Example Italy

The Corte dei Conti has the jurisdiction over damages to public bodies by private individuals and undertakings, which have a "qualified relationship" with the Public Administration. A "qualified relationship" for the purposes of the Corte dei Conti's jurisdiction is when they act in the public interest using public resources.

Example United Arab Emirates

The Supreme Audit Institution of the United Arab Emirates exercises its oversight powers over the entities stipulated in the law, and monitors the contracts concluded by the government with the private sector. If there is any financial or suspected corruption, the SAI exercises its supervisory powers to verify that there is no negligence that would harm public funds or result in a crime. In this regard, it has the right to communicate directly with all those concerned with the incident, whether these are government or private sector entities. During the investigation of financial violations or incidents of corruption, the SAI has the right to hear the statements of any individual that may benefit the investigation, including companies that have contracted with government agencies, and it may obtain from them any documents that serve the investigation and contribute to clarifying the facts of the case.

Private sector entities are also encouraged to report any practices that may lead to corruption offences, which is considered an effective tool for cooperation between the SAI and the private sector to detect and combat corruption.

Article 13. Participation of society

1. Each State Party shall take appropriate measures, within its means and in accordance with fundamental principles of its domestic law, to promote the active participation of individuals and groups outside the public sector, such as civil society, non-governmental organizations and community-based organizations, in the prevention of and the fight against corruption and to raise public awareness regarding the existence, causes and gravity of and the threat posed by corruption. This participation should be strengthened by such measures as:

- (a) Enhancing the transparency of and promoting the contribution of the public to decision-making processes;
- (b) Ensuring that the public has effective access to information;
- (c) Undertaking public information activities that contribute to nontolerance of corruption, as well as public education programmes, including school and university curricula;
- (d) Respecting, promoting and protecting the freedom to seek, receive, publish and disseminate information concerning corruption. That freedom may be subject to certain restrictions, but these shall only be such as are provided for by law and are necessary: (i) For respect of the rights or reputations of others; (ii) For the protection of national security or ordre public or of public health or morals.

2. Each State Party shall take appropriate measures to ensure that the relevant anti-corruption bodies referred to in this Convention are known to the public and shall provide access to such bodies, where appropriate, for the reporting, including anonymously, of any incidents that may be considered to constitute an offence established in accordance with this Convention.

Example Albania

SAIs indeed have a role in the prevention of corruption as well as in the identification and correction of shortcomings. ALSAI has signed specific cooperation agreements with SPAC – the special prosecutor’s office, with the general prosecutor’s office and with some civil society organizations. The number of criminal reports since 2012 have increased to 347, including numerous violations found during auditing.

Example Austria

As the Austrian Court of Audit (ACA) publishes all its audit reports on its website, insight into public decision-making processes is also given to individuals and groups outside the public sector; this also raises public awareness about the dangers of corruption. Through this approach, public decision-making processes are to be made more transparent and the participation of the public is increased.

Further, the transparent publication of the ACA’s recommendations guarantees that the public has in fact access to information. Citizens also have the opportunity to report their concerns to the ACA as the competent body for fighting corruption by phone, email and social media. Anonymous notifications are also possible. This way, citizens are invited to send suggestions for audits. In summer 2021, the ACA launched its fifth campaign for public participation. Citizens were invited to communicate their suggestions for audits. On average, more than one quarter of such suggestions fed into the ACA’s audit programme in the past years.

Example Brazil

In Brazil, citizens may report misconduct to the Court of Accounts (TCU), which has introduced a mobile app with that purpose, and the ombudsman service may forward the case to the relevant technical unit if the case should be further investigated. There are also other channels provided by anticorruption authorities such as the Federal Prosecution Office, the Office of the Comptroller General and Police. The report received by the TCU can be anonymous and the reporting person has the right to remain anonymous, their identity only being revealed in cases of relevant public interest or concrete interest for the investigation of the facts.

Example Chile

The Civil Society Council is a consultative body currently made up of 19 non-profit organizations from all over the country that are involved in the functions of the Office of the Comptroller General in a diverse, representative, and pluralistic manner. Its purpose is to give an opinion on all matters that refer to the performance of the functions of the Office of the Comptroller General and its impact on the various areas of interest to society.

Example Ghana

As a deterrent for corruption the Auditor General has been partnering with civil society organizations (CSOs) to 'name and shame' officials found guilty of corruption based on the audit findings. In addition, The Auditor General has been supporting the use of relevant information from CSOs, the public and media as basis to investigate and submit for prosecution corrupt officials.

Example Italy

The Corte dei Conti has the role of safeguarding public interest. As such it also has the role of promoting a "culture of lawfulness", meaning the respect of democratic values and of civil rights, amongst the young generations. A Memorandum of Understanding between the Corte dei Conti and the Ministry of Education, University and Research was signed in 2018. The MoU aims to provide schools with training activities (e.g. the participation to public hearings and ceremonies) and projects to disseminate the principle of lawfulness and its corollaries (e.g. the creation of a competition among high school students on lawfulness and specific awards). The MoU has been recently renewed with a special focus on the need to ensure greater knowledge of the laws and of the general principles of public accounting.

As mentioned, ANAC, as an independent authority according to the law, drafts and issues the anticorruption national strategy (PNA) autonomously and without interference. Despite this, and in a certain sense precisely for these reasons, ANAC pays a lot of attention in the involvement of other institutional and non-institutional actors in the drafting process of the PNA. Extensive general consultation mechanisms, specific task forces and working groups, stakeholders participation toolkits, targeted events and communication campaigns, are all instruments that ANAC uses to foster participation, consultation and, when possible co-design processes. The involvement of other institutions at the national and local levels, stakeholders such as NGOs active in the area of public integrity, and the general public, is the "flagship" of the drafting process of the PNA as well as of the drafting of the other regulatory acts released by ANAC. In such issuing processes ANAC often receives hundreds of comments and amendment proposals, and each one is taken into account, processed, accepted, or otherwise commented on with feedback, all in a transparent and public manner. In addition, for the PNA 2022-2024, numerous comments are expected before the final approval, especially considering the efforts ANAC is putting in place to spread the knowledge of the draft and to increase public awareness about its contents. ANAC also coordinates a "multistakeholder task-force" in the context of the National plan for the "Open Government Partnership". The task force is the permanent tool of consultation and participation between institutions and civil society on open government topics, this year with particular reference to the use and monitoring of resources of the Next Generation EU funds assigned to Italy.

Examples Philippines⁴⁹

The Commission on Audit (COA) established the Citizen's Participatory Audit (CPA). The CPA is mechanism for strategic partnerships and sharing of goals and objectives between COA and civil society. It is both a strategy and a technique in audit. As a strategy, the CPA upholds the people's right to a transparent government and the use of public resources built on the premise that public accountability prospers with a vigilant and involved citizenry.

On this premise, the CPA is an audit technique that brings together civil society organizations, citizens and auditors into one audit team. The citizen-partners are given first-hand experience and knowledge in the systems and processes of public audit, with the citizen involvement as the keystone towards improving transparency and efficiency in the use of public resources. In terms of accountability, the presence of citizens as members of the COA audit teams opens to the public suspected public official abuses in audited institutions.

Example Portugal⁵⁰

Both the SAI and the Council for the Prevention of Corruption have established strong relationships with the universities and schools to educate young people, respectively, on the accountability and external audit principles in public management and on the importance of preventing and combating corruption. The project of the council with schools has been extensively developed. It included, not only training and educational activities, but also competitions and prizes for images, videos, music and investigations on anti-corruption.

Example United Arab Emirates

The Supreme Audit Institution of the United Arab Emirates (SAI UAE) allows all individuals to report corruption and financial violations regardless of their characteristics or categories, whether they are Federal Government employees, clients, suppliers of goods and services or part of the general public. Moreover, SAI UAE provides various channels to report fraud, corruption and financial violations whilst ensuring due consideration and guarantees to protect whistleblowers. The guarantees, as enshrined by law, provide the necessary preventive measures to protect whistleblowers and maintaining confidentiality without obligating individuals to disclose their identity, focusing instead on the relevant information relating to the incident being reported. The means by which real or suspected corruption can be reported include through a mobile app, website, e-mail, phone, as well as through personal interviews.

SAI UAE has launched a plan for awareness programs for universities and educational institutions in the country in the field of preventing and combating corruption and protecting public funds, in appreciation of the great role played by these institutions in promoting the values of integrity, transparency and awareness in order to eliminate the sources of corruption and remedy its negative effects. The plan intends to educate young people about the dangers of corruption and ways to reduce it, and to establish the principles of responsibility, transparency and efficiency in these institutions. The plan also specifies activities that would contribute to the success of the system of awareness of corruption risks, including conducting field visits to these educational institutions and holding workshops, programs and seminars for students in those institutions.

SAI UAE also actively engages with civil society, such as, for example, its cooperation with the Nazaha Association, where a number of initiatives aimed at preventing and raising awareness of corruption were organized in order to limit its negative effects.

⁴⁹ The Citizen Participatory Audit Website, Available at: <https://cpa.coa.gov.ph/>

⁵⁰ https://www.cpc.tcontas.pt/documentos/outros/CPC_14-anos.pdf and <https://www.cpc.tcontas.pt/projetos.html>

Article 14. Measures to prevent money-laundering

1. Each State Party shall:

(a) Institute a comprehensive domestic regulatory and supervisory regime for banks and non-bank financial institutions, including natural or legal persons that provide formal or informal services for the transmission of money or value and, where appropriate, other bodies particularly susceptible to money laundering, within its competence, in order to deter and detect all forms of money-laundering, which regime shall emphasize requirements for customer and, where appropriate, beneficial owner identification, record-keeping and the reporting of suspicious transactions;

(b) Without prejudice to article 46 of this Convention, ensure that administrative, regulatory, law enforcement and other authorities dedicated to combating money-laundering (including, where appropriate under domestic law, judicial authorities) have the ability to cooperate and exchange information at the national and international levels within the conditions prescribed by its domestic law and, to that end, shall consider the establishment of a financial intelligence unit to serve as a national centre for the collection, analysis and dissemination of information regarding potential money-laundering.

2. States Parties shall consider implementing feasible measures to detect and monitor the movement of cash and appropriate negotiable instruments across their borders, subject to safeguards to ensure proper use of information and without impeding in any way the movement of legitimate capital. Such measures may include a requirement that individuals and businesses report the cross-border transfer of substantial quantities of cash and appropriate negotiable instruments.

3. States Parties shall consider implementing appropriate and feasible measures to require financial institutions, including money remitters:

(a) To include on forms for the electronic transfer of funds and related messages accurate and meaningful information on the originator;

(b) To maintain such information throughout the payment chain; and

(c) To apply enhanced scrutiny to transfers of funds that do not contain complete information on the originator.

4. In establishing a domestic regulatory and supervisory regime under the terms of this article, and without prejudice to any other article of this Convention, States Parties are called upon to use as a guideline the relevant initiatives of regional, interregional and multilateral organizations against money-laundering.

5. States Parties shall endeavour to develop and promote global, regional, subregional and bilateral cooperation among judicial, law enforcement and financial regulatory authorities in order to combat money-laundering.

Example Austria

The Austrian Court of Audit examined measures for fighting money laundering and recommended, for example, the following measures in the Report "The Fight against Money Laundering and Asset Recovery" (volume Federation 2008/12) and the corresponding follow-up report:

- Establishment of a control system that should assess whether the targets were reached and whether respective control measures were adopted,
- Common cross-ministry further education activities for combating money laundering and asset recovery,
- A special asset recovery assistance section in the state criminal offices equipped with sufficient staff resources and special know-how to guarantee that these services are provided for all requesting investigation bodies.

The Austrian authorities for fighting money laundering is audited on a regular basis.

Example Brazil

In the infrastructure sector, the Brazilian Court of Accounts (TCU) has an annual inspection plan for public works carried out with public resources. This is a specific audit targeting the implementation of the budgeted resources and is determined based on established criteria (e.g., social relevance, budget involved, etc.) and has been conducted for 25 years. This prevention work brings good results in detecting corruption in procurement. In case an irregularity is identified, an indication of serious irregularity is presented to the Congress, which can order the freezing of the funds of certain projects and contracts.

A good case example is “Operation Car Wash”, which started in 2014 and involved the state-owned company Petrobras. In this case, the TCU had identified irregularities in contracting (as of 2007) which coupled with the findings of the public prosecutor concerning a case of money laundering revealed a corruption scheme at Petrobras, where executives allegedly accepted bribes in return for awarding contracts to construction firms at inflated prices.

Since 2017, Brazil has formally internalized the risk management policy in federal public administration. As of 2018, all government bodies, public institutions and state-owned companies observe an integrity programme established and monitored by the Office of the Comptroller General.

Example Egypt

The Accountability State Authority (ASA) chairs the INTOSAI working group to combat corruption and money laundering. Also, there is continuous cooperation, consultation, and coordination between the SAI and the relevant bodies in anti-corruption measures including the Administrative Control Authority (ACA), which is concerned with combating corruption, and the official representative of Egypt to the United Nations, pursuant to the provisions of Articles 6 and 36 of the UNCAC.

Example United Arab Emirates

The Financial Intelligence Unit (FIU) was established as a unit operationally independent of the Central Bank of the United Arab Emirates (UAE). The unit has adopted the “GoAML” system in coordination with UNODC, which includes units with advanced analytical features and automated examination processes. In order to improve the quality and quantity of financial analysis, the Supreme Audit Institution (SAI) cooperates with the unit and exchanges information related to corruption incidents. SAI requests information on bank statements of persons involved in corruption offences and cooperates in this regard by examining whether financial information includes amounts involved in corruption offences. SAI also participated and contributed to the mutual evaluation process that the country was subjected to by the MENAFATF.

In addition, among the measures that the SAI can take during investigations into incidents of corruption is the freezing of assets, in which the Central Bank is ordered to freeze the property and other relevant assets of persons involved in corruption.

Part 03



Enforcement

This section focuses on how cooperation between SAIs and ACBs may be utilized to strengthen enforcement of anti-corruption legislation. It will cover the topics of reporting and detecting corruption, investigating corruption, and undertaking asset recovery. Even in instances where a SAI may not play a direct role in detecting corruption, it is likely that areas of possible cooperation may exist between the SAI and the corresponding ACBs such as through the notification of a suspicious activity. At the end of this section challenges in implementing the cooperation in enforcement will be discussed as well as possible ways to overcome these challenges.

Thematic 01

(Virtuous circle 2) - Detecting and reporting corruption

The second “virtuous circle” identifies areas where both SAIs and ACBs can inform or report to each other and help build on and strengthen both anti-corruption enforcement efforts and audit planning. If the auditor suspects potential corruption the ACB with an investigation mandate or the bodies tasked with investigating corruption, where applicable, should be informed as soon as possible in order to be able to launch their own investigation. Furthermore, the findings of ACB investigations, particularly those that were derived from or referred to it by the SAI, should be shared with the SAI in order for it to adapt or inform its audit plans which would allow it to identify similar instances of corruption as well as to determine whether previously-identified vulnerabilities have been addressed.

In addition, investigations conducted by ACBs and the resulting findings are crucial in the prevention and deterrence of corrupt activities. The findings may expose all loopholes, system weaknesses and internal control failures for which remedial recommendations can be made to avoid reoccurrence or for earlier detection of incidents. By increasing the rate of discovery, the offenders will be dissuaded to pursue their illicit intentions. Through lessons learned from investigations, auditors can make and track control recommendations to protect an institution’s assets. In this regard, arrest, disciplinary action and restitutions also forms a critical part of prevention.

Below are a few examples showing how SAIs and ACBs currently cooperate in various jurisdictions.

The audit report as a source of information for ACBs

In this subsection, cases will be highlighted of member states who demonstrate ways in which audit findings or reports are used as a source of information for ACBs and the subsequent actions taken by ACBs based on this information.

Example Austria

If a possible criminal offense related to corruption is found during a public audit, the relevant information is transmitted by the focal point within the ACA to the law enforcement authorities such as the Specialized Public Prosecutor’s Office for combatting economic crime and corruption.

Example Bhutan

In case a corruption and/or financial crime is found during an audit, the case may be forwarded to the Ethics and Anti-Corruption Commission. Currently, the Auditor General may not directly approach the ACA, however, a Memorandum of Understanding has been drafted to permit the Auditor General to present findings to the ACA during investigations. Reports from civil society are directed towards the SAI, which can in turn choose to forward it to the ACA.

Example Ecuador

The Ecuadorian State is comprised by five branches of government. One of them is the Function of Transparency and Social Control (FTCS), in which the SAI is embedded, as well as other agencies that execute policies for public and social control of the states' activities. When a SAI's audit report indicates possible criminal liability, the SAI submits it to the Attorney's General Office.

Example Egypt

By law, all auditees subject to the Accountability State Authority's audits have to inform it of incidents of embezzlement, misappropriation, concealment, stealing, damage, or negligence on the day of their discovery, as well as to provide it with the decisions issued in this regard at the time of their issuance. The head of the ASA has the authority to refer violations, other than the financial and administrative irregularities observed in ASA's audit, to the competent investigation authority, such as the Public Prosecution, the Administrative Prosecution, and the disciplinary courts.

The ASA also reports its annual audit reports to the President, House of Representatives, and the Prime Minister. These reports are shared with the ACA, which plays its role in uncovering corruption and taking further necessary measures. The ACA may ask the ASA to assist in technical aspects as experts, and the ASA benefits from the results of ACA reports in developing its own audit plans.

Example France

The French financial jurisdictions cooperate with judicial authorities and other authorities to prevent corruption, including with the Agence Française Anti-Corruption (AFA), the French anti-corruption body, the High Authority for the Transparency in Public Life (HATVP) and the criminal judicial system, particularly the National Financial Prosecutor's Office.

The General Prosecutor's Office is the interlocutor of the Court of Accounts for these authorities and has issued instructions to organize procedures and identify and disseminate good practices in the relations of SAI with AFA. The General Prosecutor's Office at the Court of Accounts receives all AFA reports concerning the entities in their common field and sends the relevant audit conclusions of the Court of Accounts to AFA and they coordinate with each other through regular meetings. Respecting their mutual independence, these regular meetings ensure that there is no overlap between controls and audits conducted by the two institutions on the same entities, as the AFA is also mandated to conduct audits on quality and effectiveness of anti-corruption programmes of public institutions (i.e. state-owned enterprises) and private companies. A magistrate of the Court is seconded to AFA facilitating communication between the two institutions.

The framework of cooperation between the AFA and the Court of Accounts stems from a recommendation of the general public prosecutor of the Court of Accounts, who issued a recommendation on relations between financial courts and AFA to financial public prosecutors on 4 June 2018. The recommendation sets out the procedures for sharing information between AFA and the Local Government Audit Offices (CRTC).

The Court also cooperates extensively with the HATVP. First, it elects two members of the executive board and designates two rapporteurs for the HATVP. The current president of the HATVP, who is nominated by the President of the Republic for a six-year mandate, is actually the former First President of the Court. Second, the Court and the HATVP share information and make individual reports for each other. Irregularities in the handling of public funds can have a visible effect on the assets and interests of public officials. In this case, a report to the HATVP can be a useful follow-up to the audit of accounts. Conversely, the HATVP's declarations contain information that can support and enrich certain controls undertaken by the Court. Lastly, the HATVP intervenes in the internal trainings of the Court relating to integrity issues.

As for the judiciary, the Public Prosecutor's Office at the Court of Accounts has the task of reporting to the judicial authorities fraudulent behavior that may be criminally qualified. The number of cases transmitted by financial jurisdictions to judicial jurisdictions increased during the last years, up to 88 in 2019 (just before the pandemic), mainly for major breaches in public procurement rules, second for illegal appropriation of interests and third for embezzlement.

Example Jordan

In Jordan, the SAI, the Audit Bureau, mainly conducts financial and compliance audit but also performance, environmental and forensic audits. The Annual Audit Report is presented to the Parliament and contains violations, irregularities, deficiencies, or weaknesses in the performance of the audited entity along with recommendations for addressing the findings. The Annual Report can be forwarded to the Integrity and Anti-Corruption Commission (JIACC) for further investigations in case of a potential crime has been identified. JIACC does the follow-up on reports issued by the SAI, as it has more authority in private sector related issues. These reports issued by the SAI are the main source of information for the investigations undertaken by JIACC. Often the auditors support JIACC in their investigations. If the alleged wrongdoing is confirmed, the JIACC refers the case to the prosecutor's office for further investigation.

Example Latvia⁵¹

As per the State Audit Law, if SAI Latvia obtains information during its audits which indicate a possible corruption offence, the SAI reports to the CPCB which, in turn, shall evaluate the information received from the SAI and initiate a criminal proceeding, if there are grounds for it. If the CPCB makes a decision to refuse to initiate proceedings but the SAI finds such decision unjustified, the SAI has the right to file a complaint to the Prosecutor's Office.

SAI Latvia files complaints in almost half of the cases in which the investigating authorities have decided not to commence criminal proceedings or in instances where a decision has been taken to terminate ongoing criminal proceedings. SAI Latvia monitors the progress of the assessment of violations and, if necessary, provides additional explanations on the nature of the violation, on specific issues that are important for the investigation. Also, other investigative institutions, in accordance with their competence (e.g., State Police), may initiate criminal proceedings on the basis of information received from SAI Latvia.

⁵¹ Between 2019 and 2021, SAI Latvia has reported to the investigative authorities on various possible criminal offenses identified in 27 audits, of them in 7 cases to the CPCB. Following these reports, the investigative authorities have initiated 28 criminal proceedings and decided to refuse to initiate criminal proceedings in relation to 11 violations. The CPCB has initiated 4 criminal proceedings and in 3 cases decided to refuse to initiate criminal proceedings. In the 2019-2021 period, 10 persons were convicted - convictions have entered into force for criminal proceedings initiated in the previous period. In addition, during this timeframe, SAI Latvia has reported to the CPCB on possible administrative violations, and the CPCB has applied sanctions for administrative violations to 88 officials.

Example Philippines

SAI Philippines has the mandate to conduct fraud audits on incidents of corruption. As the SAI does not have a prosecutorial power it forwards audit reports with findings of fraud/corruption to the Office of the Ombudsman which may conduct preliminary investigation if it finds that the audit findings are supported by sufficient evidence to require the erring public officials and private individuals involved in the corruption incidence to answer the criminal or administrative charges against them. In the event that the Ombudsman finds probable cause to file criminal information against the accused public officials and individuals, the Office of the Special Prosecutor shall prosecute the case and the auditors may be called upon to testify before the courts. The SAI has been collaborating with the Office of the Ombudsman in conducting joint investigations, however, this has raised concerns on incompatible functions or conflict of interest since the Office of the Ombudsman also conducts its own preliminary investigations.

Example Portugal

The Public Prosecutor office has three permanent representatives in the SAI:

- Notified of all the SAI's decisions and reports
- Present in all plenary sessions of the SAI
- Informed about the audit reports sent to the SAI by the internal audit bodies

This way, all situations that are deemed to have criminal relevance are channelled to the Public Prosecutor office through these representatives. Any suspected crime detected during the audits may be immediately communicated to the criminal police or the Public Prosecutor office, even before reports are approved. The permanent Public Prosecutor representatives have the important responsibility of initiating all the jurisdictional proceedings in the SAI. Based on the facts identified in the audit reports, they ask the jurisdictional chamber to apply sanctions (fines) to the responsible persons for mismanagement and/or illegal decisions, and/or to order reimbursements of funds that should have not been spent or that should be recovered, irrespective of whether there was a criminal intention or not.

The criminal courts will judge the criminal offenders, including for corruption reasons, typically with imprisonment. If, for the amounts involved, funds have already been recovered by order of the SAI, there will be no need for the criminal decision to deal with the reimbursement. Several important criminal investigations have been initiated on the basis of facts identified by the SAI.

While the communications for the purpose of criminal investigations do not pass through the ACB, as it has no investigation powers, it is always informed of approved reports.

Example Romania

The Romanian Court of Accounts has the obligation to notify, through the Plenum of the Romanian Court of Accounts, the criminal investigation bodies in case there is evidence to suspect a criminal offense. With the establishment of the National Anti-Corruption Division (DNA), a criminal body specialized in investigating corruption, the Romanian Court of Accounts has the obligation to notify it in case it identifies any indications of corruption, as well as the obligation to notify the other criminal investigation bodies (Prosecutor's Offices), according to their competences.

Example South Africa

In line with the Memorandum of Understanding concluded between the Office of the Auditor General of South Africa (AGSA) and the Special Investigating Unit (SIU), any material irregularities which the AGSA identifies during its audits are referred to the SIU for further investigation in order to ensure a proper consequence management is being implemented. In addition to determining the merits of the alleged material irregularity, the SIU can, as a result of the referral, launch further investigations in order to recover any losses that have been suffered by the State and prevent any further losses from occurring. The findings of the SIU's investigations that were launched as a result of the AGSA's referral as well as the actions taken to recover losses suffered, are subsequently forwarded to the AGSA. The AGSA is then able to monitor the implementation of the SIU's recommendations when conducting its audits.

Example United Arab Emirates

The detection and investigation of corruption and financial violations are one of the mandates of the Supreme Audit Institution of the United Arab Emirates (SAI UAE), whether the facts were discovered through audits, or reported by civil society or any other parties through the different reporting channels (e.g. e-reporting channels for all government employees or the SAI UAE mobile app). In the event the facts constitute criminal offenses, SAI through the anti-corruption and investigation on financial violations department, investigates the allegations, identifies those responsible for them and, with all evidence of crimes being attached, refers the case to the Federal Public Prosecution. As such, there is direct and close coordination and cooperation with the Public Prosecution, with SAI UAE also testifying and providing expert opinions in the Public Prosecution's investigations and court deliberations. In return, the Public Prosecution, using the SAI's expertise, request investigations on suspected corruption incidents, searches for evidence necessary to prove crimes against the accused, and provides expert opinions on these facts.

Other reporting channels involving SAIs

Example Brazil

All citizens can report alleged violations in all public services to the Brazilian Court of Accounts (TCU) and can follow up on their submitted reports through a mobile app. After an initial assessment of the case may be forwarded by the ombudsman to the relevant technical unit.

Example Greece

The Hellenic National Transparency Authority (NTA), the anti-corruption body of Greece, has introduced an online complaints forms where citizens, anonymously or not, can submit a complaint by reporting a violation of law, and uploading relevant material on a range of areas including but not limited to public works, economy, health, education, environment, and transportation. The NTA follows a one gate-many entry points logic, as links to the NTA's portal are also available across other public sector websites.

In order to tackle the challenge surrounding the uniform, transparent and objective management and assessment of complaints received, the NTA has proceeded with the standardization of the management and assessment of complaints process, something which is carried out solely electronically. The complaints received are prioritized on the basis of criteria divided into two categories: the on/off criteria and the criteria scored. The on/off criteria examine the clarity of the complaint, its compatibility with the NTA's competences, any expected or completed investigation by the Prosecutor, repeated submission of the complaint, and execution time. The assessment is made on the basis of the completeness of the complaint, the adequacy of the supporting documentation, the degree of risk in relation to the impact to the society, the State's financial loss, repeatability, previous misconduct of the body, etc.

Example Italy

The Corte dei Conti receives reports and complaints from all public authorities, including from the National Authority against Corruption (ANAC). Public authorities, specifically their accountants and internal auditors, and ANAC have the duty to report any loss of public resources to the prosecutors at the Corte dei Conti. Any other kind of notices, coming from politicians, citizens, whistle-blowers and press articles can also be qualified as a valid complaint. The criminal prosecutor has the duty to report any investigation or case, which allegedly caused a loss to public funds, to the prosecutors of the Corte dei Conti. Indeed, only the public prosecutors of the Corte dei Conti can bring liability actions before its judges against any person found liable of misusing public resources. Liability actions at the Corte dei Conti aim at ensuring compensation for damages or recovery of funds to the public administration. Based on these reports and complaints, the Public Prosecutor of the Corte dei Conti opens an investigation.

Example Portugal

Portuguese legislation includes a provision on internal control systems, which is a structured cooperation between all audit bodies including internal audit bodies of public administration. The SAI and the internal audit bodies meet when needed, they share audit plans and the SAI can request the internal audit body to conduct audits. This is applied for example when the SAI receives a whistle-blower report, which it cannot include in its audit planning. All the audit findings from internal audit reports that are relevant for the SAI are sent to the Court of Auditors and jurisdictional proceedings may be initiated in the Court based on those findings.

Example Russian Federation

The Accounts Chamber of the Russian Federation cooperates with other authorities (besides law-enforcement agencies) involved in the anti-corruption activities. The Chairman of the Accounts Chamber is a member of the Council under the President of the Russian Federation for Combating Corruption. A member of the Board represents the Accounts Chamber in the Interdisciplinary Council for the Coordination of Scientific, Educational and Methodological Support for Combating Corruption under the auspices of the Russian Government. The Accounts Chamber auditors participate in joint events of the Presidential Administration of the Russian Federation for Anti-Corruption.

Example United Arab Emirates

The SAI receives reports from citizens, public authorities, private sector entities and other parties on corruption offences such as embezzlement, negligence and financial violations through its different channels, including a mobile app, website, email, hotline and in-person consultation. The SAI carries out the necessary investigations into these reports and refers the facts that constitute corruption offences to the Federal Public Prosecution after taking all necessary measures. There is also close coordination between the SAI and other related institutions such as the Central Bank and the Ministry of Interior.

SAIs using results of ACB investigations to develop audit plans

Example Australia

In Victoria, the Independent Broad-based Anti-Corruption Commission (IBAC) may recommend the Victorian Auditor General's Office (VAGO) to undertake an audit to assess actions undertaken by public sector agencies that address the corruption vulnerabilities it has identified in its investigations.

For example, in 2016, IBAC reported on Operation Ord, an investigation into the conduct of a number of senior executives at the then Department of Education and Early Childhood Development (DEECD). Operation Ord identified significant weaknesses in school governance arrangements, including, that members of school councils may have unknowingly facilitated the misapplication of DEECD funds. IBAC recommended that VAGO audit DEECD to assess whether its response to Operation Ord effectively addressed the issues IBAC had identified. In 2018, VAGO released a report on School Councils in Government Schools in which it considered initiatives that DEECD had implemented to improve school council governance and made several recommendations to further strengthen those arrangements.

Example France

Information and exchange channels between the Cour des comptes and the French Anti-Corruption Authority (AFA) are well-established.

In addition, further exchanges of information exist between the General Prosecutor's Office at the Cour des comptes and the French institutional actors in the fight against corruption. This includes the findings of the General Prosecutor's Office, which can inform the Court in its development of its audit plans.

Example Portugal

The SAI of Portugal has initiated a few audits and/or judgements following communications received from the Public Prosecutor office where a criminal investigation has disclosed situations with relevance for the SAI's mandate (ACB has no investigation powers).

The ACB information is mainly important for risk analysis, either to select topics or entities to be audited or to design the audit plans. This has been particularly significant as regards information on the public institutions' plans to manage corruption risks.

Example South Africa

The channels of communication and exchange of information between the Office of Auditor General of South Africa (AGSA) and the Special Investigating Unit (SIU) go both ways.

Following a risk-based approach, the SIU undertakes investigations, particularly in alleged serious maladministration and malpractice. The outcomes of investigation reports developed by SIU are requested by the AGSA and shared by the SIU in a timely fashion. The findings are subsequently used to inform the development of future audit plans, both in terms of planning and risk assessments to be taken into account. Further, other investigation findings such as, for example, forensic findings relating to specific auditees, are used to follow up in terms of monitoring the control environment.

In addition to informing its audit plans, while undertaking its audits, the AGSA also monitors the progress of implementing the recommendations issued by the SIU to specific public institutions.

Example United Arab Emirates

The SAI receives corruption reports from the Public Prosecution. In addition to its competence to conduct investigations relating to incidents reported by other entities, it also takes into account the facts of such reports when preparing the audit plan for the entity in which the corruption incident has occurred, following a corruption risk assessment.

Thematic 02

Investigating corruption/asset recovery

The work of SAIs is of value for identifying potential corruption. However, the knowledge and insight that SAIs possess are valuable also in the investigation process. Therefore, the involvement of SAIs in corruption investigations and asset recovery has the potential to make operations more efficient. In some countries SAIs are conferred powers to impose economic sanctions and to surcharge in accordance with their constitution. The power to surcharge is to disallow public expenditure and require those found guilty of misuse of public funds to return said funds.

Below are examples provided by various jurisdictions on how SAIs support investigations and asset recovery efforts.

Judicial or Napoleonic Model

As the judicial model usually allows for the SAI to have ownership of the procedures relating to pursuing factual circumstances on financial violations from undertaking investigations to prosecutions, however there the need for coordination and communication with ACBs remains of utmost importance, especially in countries where ACBs and SAIs may have overlapping areas of activity and there is a risk of both parties e.g. pursuing the same case without being aware of the fact. Furthermore, in certain cases and in spite of the different remits of their action, it might be more effective with a joint investigation where competences and information from both authorities may be utilized.

Parliamentary or Westminster Model

The Parliamentary model does not usually allow for SAIs to prosecute or sanction individuals; they generally report to a committee of parliament or directly to the parliament and it is then to the authorities concerned. The main opportunity is for the SAI to provide expertise to support investigations. As the SAI in this case is generally not designed for undertaking long-term work and investigations on cases, it may face challenges aligning its working procedures with ACBs or other authorities that conduct the investigation and prosecution. Therefore, policies or processes need to be in place to allow for flexibility by the SAI to be able to support in long drawn judicial processes.

SAIs undertaking corruption investigations

Example Ecuador

In the case of the Office of Comptroller General of Ecuador, which is capable of issuing indications of criminal liabilities in instances where audit reports indicate unlawful actions, auditors may be called upon to participate in hearings. Quality assurance in the audit process is considered fundamental in building a case and holding relevant officials criminally liable.

Example Egypt

The Administrative Control Authority (ACA) has the mandate to submit its investigation findings to the public prosecution, which can subsequently involve the SAI by asking them to conduct further investigations to verify the findings of the ACA's investigation.

Example Italy

The Public Prosecutor of the Corte dei Conti must investigate any complaint coming from politicians, citizens, whistle-blowers or press articles. All public authorities including their accountants and internal auditors, as well as the National Authority Against Corruption (ANAC) have the duty to report any loss of public resources to the prosecutors of the Corte dei Conti. If some conditions established by law are satisfied, the civil servant and/or public officers who infringe the duty to report, are considered liable for the loss or damages suffered by public administration.

Example United Arab Emirates

The SAI may initiate investigations into alleged instances of corruption that constitute financial violations and, in the event of findings constituting criminal offenses, the SAI through the anti-corruption and investigation on financial violations department, identifies the person or persons responsible and refers the matter to the Federal Public Prosecution, with all evidence of crimes being attached.

SAIs providing expertise to support investigations

Example Brazil

At the beginning of Operation Car Wash (2013/2014), contacts were made between members of the task force and auditors of the Court of Account's (TCU) technical divisions specialized in overseeing infrastructure works to better understand audit reports on Petrobras projects. The Federal Public Prosecutor's Office (MPF) has used TCU's findings to reinforce its conclusions, since corruption schemes and the damage are not dissociated from other crimes, such as overbilling of public works and the offences committed.

Example Chile

As the Office of the Comptroller General has been responsible for receiving, verifying, and overseeing the Interests and Assets Declarations, the Office has access to multiple internal and external databases to detect conflicts of interests. Consequently, the institution has supported the role of the Prosecutor's Office through analysis of corruption cases that may imply a conflict of interests. In addition, in a complex corruption case that involved the Chilean police, a group of auditors of the Office of the Comptroller General assisted the investigation regarding financial, administrative, and legal matters.

Example Philippines

The Commission on Audit (COA) conducts fraud/special audits based on complaints/request for audits from private organizations and individuals, other government agencies, the Office of the Ombudsman and even the Congress. Fraud/special audit reports with findings of fraudulent acts are transmitted to the Office of the Ombudsman with a recommendation to file appropriate cases against liable/responsible persons. These reports are also furnished to various oversight bodies and committees. Moreover, COA auditors are called upon to provide witness testimony and information on the result of their audits in any legal proceedings in court or any tribunal.

Example South Africa

If there are prosecutions or pending cases due to audit findings of the Office of the Auditor General (AGSA), it may be called upon by the Public Prosecutor to provide further information and expertise.

Example United Arab Emirates

There is direct coordination and close cooperation with the Federal Public Prosecution regarding corruption cases. SAI auditors are often called upon to provide the necessary testimony and expert opinion in the Public Prosecution's investigations and court deliberations. The Public Prosecution often requests the SAI to conduct further investigations and evidence-gathering to prove crimes against the accused and to provide its expert opinion on these facts.

SAIs working as part of a joint investigations team

Example Philippines⁵²

In February 2017, the COA and the Office of the Ombudsman (OMB) renewed their Memorandum of Agreement (MOA) to strengthen their institutional partnership on collaborative efforts to pursue, as a shared responsibility, the effective evaluation, audit, investigation, prosecution, and monitoring of Joint Investigation Team (JIT) cases. COA-OMB JIT was created for a more effective fraud audits, investigation and prosecution of graft and corruption cases. The improved collaboration between the COA and OMB aims to fast-track investigation and prosecution of high-value and high-profile cases. The JITs, formed pursuant to the Agreement, investigate fraud, audit-related complaints or reports arising from the same, closely-related transactions or acts involving at least P100 million, graft and corruption cases investigated by Congress and other cases imbued with public interest regardless of the amount involved.

Likewise, in September 2021, a MOA was executed among COA, OMB and the Department of Justice (DOJ) to “synergize the investigatory powers of the Ombudsman, DOJ, and COA in the implementation of corruption prevention measures and to act on complaints and reports of corrupt activities, thus aiding the Ombudsman and COA to carry out their respective mandates while also serving as a supplemental tool for the DOJ to attain the purposes of the Task Force Against Corruption which it is spearheading.” Under the MOA, prosecutors and state auditors will be deputized as resident ombudsmen in graft prone agencies of the government. As resident ombudsmen, these prosecutors and auditors shall “among other things, bring to the government agencies, the Ombudsman’s front-line services by acting on complaints and reports against officials and employees of the said agencies”. They will also act as watchdogs and implementers of anti-corruption programs, as well as monitor compliance with existing laws and regulations.

⁵² Philippines – (i) COA, OMB strengthens anew joint anti-corruption initiatives, Available at: <https://www.coa.gov.ph/coa-omb-strengthens-anew-joint-anti-corruption-initiatives/>; and (ii) COA, DOJ, and OMB ink MOA on Resident Ombudsmen, Available at: <https://www.coa.gov.ph/coa-doj-and-omb-ink-moa-on-resident-ombudsmen/>.

Example South Africa

As a result of the emergency procurement rules that came into effect to expedite the procurement of necessary equipment and medical supplies during the early stages of the COVID-19 pandemic in 2019, the collaboration in investigations between SAIs and ACAs was strengthened greatly through the establishment of a Fusion Centre to investigate corruption cases relating to the COVID-19 pandemic. New ad hoc relationships between agencies were established going beyond the Memorandum of Understandings already in place, which fostered a greater mutual understanding of the needs of each institution.

By housing representatives from all law enforcement and other relevant agencies, including the Special Investigating Unit (SIU), the Financial Intelligence Centre, the National Prosecuting Authority, the South African Revenue Service, etc., the overlap of investigations into COVID-19 irregularities have been better managed, duplication has been prevented and efficiency in case management has greatly increased. The Office of the Auditor General (AGSA) and the Fusion Centre have collaborated in the sharing of information and data. Once a material irregularity is identified by the Auditor General, the case is submitted to the SIU for further investigations or to recover lost funds.

As a result of the success in monitoring and allocating cases, it is expected that the mandate and focus areas of the Fusion Centre will be expanded into other investigation areas such as, for example, alleged money laundering.

Example United Arab Emirates

The Supreme Audit Institution of the United Arab Emirates (SAI UAE) participates in joint investigations with respect to suspected cases of corruption and financial violations in its auditees through the Disciplinary Board in three situations: the entity imposes a penalty less than the one recommended by SAI UAE; in the case of significant financial violations, as estimated by SAI UAE; and, in the case of the trial of the employee whose services have been terminated. The Disciplinary Board formed by decision of the President of SAI UAE, includes three members: headed by a judge nominated by the Minister of Justice, a technical member from SAI UAE nominated by the President of SAI UAE, and a member from the auditee that committed financial violations or corruption, nominated by the head of the auditee. The Board is considered the only competent authority with respect to the violations referred thereto from SAI UAE.

SAIs with the power of surcharge

Only SAIs of the judicial model, which are called courts or tribunals may have the power to sanction. However, not even all judicial models SAIs exercise judicial functions. Nonetheless, in some jurisdictions, SAIs are conferred powers to disciplinary and economic sanctions in accordance with their legal mandate. Certain jurisdictions empower their SAIs to surcharge, namely, to disallow public expenditure and require those funds to be refunded by those found guilty of improper use of public funds. The way in which the power of surcharge is applied may differ across jurisdictions, below are some examples of SAIs with surcharging powers.

Example Brazil

The Brazilian Court of Accounts (TCU) can impose a broad range of sanctions, including discharging or holding accountable administrators of public funds for improper use of resources as well as impose financial penalties or require reimbursements for financial losses.

Example France

The Cour des comptes may prosecute and sanction public officials i.e., accountants and, in some specific cases, managers. The Court may order a public accountant to reimburse any money deemed missing. It can do the same against a manager, but only in instances involving a de facto management of public funds or *gestion de fait*, the unauthorized handling of public funds. In other instances, only the Cour de discipline budgétaire et financière (CDBF) may sanction to public manager.

From 2023 onwards, the Cour des comptes will be empowered to sanction accountants and managers, but the sanction will be considered a fine, not a reimbursement. Fines will sanction malpractices by accountants and managers alike.

Example: The Gambia

Article 160(2)(c) of the Constitution of the Republic of Gambia confers the Auditor General the power of surcharge. Specifically, since 2017, the Auditor General has the power to disallow and surcharge any item of expenditure that has been found to be illegally spent or lost through negligence or misconduct the law and to surcharge.

Example Ghana⁵³

In accordance with the Constitution, the Auditor General (AG) has the power of disallowance and surcharge to commence the recovery of public funds that have been found to be illegally spent or lost through negligence or misconduct. These powers enable the AG to disallow any unlawful expenditure and impose a surcharge on the responsible person(s). Between June 2017 and November 2018, the Ghana Audit Service (GAS) issued 112 surcharges and returned a total amount of US\$ 12.2 million back to government coffers. Since 2019, the GAS incorporated the reports on disallowance and surcharge in the audit reports to Parliament as step towards establishing a regular audit process.

Example Italy

The public prosecutor brings liability actions before the Corte dei Conti to obtain compensation and recovery of funds to the benefit of the public administration for the damages caused by fraud or gross negligence of anyone allegedly found guilty. Following the relevant case-law, several damages can be caused by malicious conduct which results in facts of alleged corruption or of maladministration in the application of the law. All losses caused by an unlawful conduct or omission can be taken into account: corruption; fraud in the management of public funds (European, national, regional and/or local); infringements or unlawful conducts or omissions in directing or monitoring performance of work, supply and service agreements causing breach of contracts, unlawful additional payments; irregular or omitted tax audits or omitted application of fines as well as the omitted report of committed crimes in exchange of bribes. The harm – and the subsequent compensation – could consider damages to properties, goods, assets loss or financial damages, but also non-material damages which permit compensation for damage suffered indirectly

Example Japan

Japan's Board of Audit does not have the power to impose surcharge, however, in the event of an audit, where the Board deems that an official in charge has caused a grave loss to the state either intentionally or through gross negligence, it may make a recommendation of surcharge to the head of the department of the official or supervisor.

⁵³ World Bank (2020). *Enhancing Government Effectiveness and Transparency: The Fight Against Corruption*, SAI Chapter.

Example Latvia⁵⁴

Between 1923 and 1940 the State Audit Office of Latvia had the right to obligate public sector organizations deemed non-compliant to pay a surcharge. Recent amendments to the State Audit Office Law granted the SAI the right to make decisions regarding recovery of losses due to unlawful actions of officials, including through the imposition of recovery sanctions against officials if their unlawful actions have resulted in a loss to the state, unless the same has already been sanctioned by a supervisor.

Example Philippines⁵⁵

Presidential Decree No. 1445, otherwise known as the Government Auditing Code of the Philippines expressly empowers the COA, in the exercise of its investigatory and inquisitorial power, to summon the parties to a case brought before the Commission for resolution, issue subpoena duces tecum, administer oaths, and otherwise take testimony in any investigation or inquiry on any matter within the jurisdiction of the Commission. The COA was also granted the power to punish contempt on violations of any final and executory decision, order or ruling.

Pursuant to 2009 Revised Rules of Procedure of the COA (RRPC), auditors can issue Notices of Disallowance/Charge (ND/NC) whenever there are differences arising from the settlement of accounts by reason of disallowance or charges found during the audit. Unless an appeal to the concerned director is taken, the decision of the auditor becomes final after six months from the date of receipt of the decision. When a decision becomes final and executory, a Notice of Finality of Decision will be issued directing the persons liable to pay/refund the amount disallowed. In case of failure to refund the amount disallowed/charged, an Order of Execution (COE) will be issued directing the responsible personnel to withhold payment of any money due. In case of failure by the responsible entities to comply with the COE, the auditor is required to notify the Head of the agency concerned of the non-compliance. At the same time, the auditor is required to report the matter to the General Counsel who shall: recommend to the Commission Proper to cite defaulting party in contempt; refer the matter to the Solicitor General for the filing of appropriate civil suit; and/or refer the case to the Ombudsman for the filing of appropriate administrative or criminal action.

Example Portugal

The Portuguese SAI, following a prosecution made by the Public Prosecutor (on the basis of facts identified in the notified audit reports), may order the reimbursement of funds by the responsible person(s). The reimbursement may be ordered in cases of disappearance of funds, embezzlement, illegal payments that cause a damage to the public treasury, need for the public entity to pay compensations caused by unlawful acts or decisions and omission of collecting taxes or any payments due to the public entities. The same person can receive an order to reimburse along with a fine to sanction the illicit action.

Example Russian Federation

The Accounts Chamber of the Russian Federation is authorized to draw up protocols on administrative offenses and to surcharge. Based on the findings of the Accounts Chamber, responsible agencies can apply disciplinary measures to officials who have committed violations, while misused funds are returned to the budget system.

⁵⁴ Saeima, State Audit Office Law, adopted on 09/05/2002. Available at: <https://likumi.lv/ta/en/en/id/62538-state-audit-office-law>

⁵⁵ Revised Rules of Procedure of the Commission on Audit (RRPC), adopted in 2009, Available at: <https://www.coa.gov.ph/about-us/citizens-charter/>

Example Zimbabwe⁵⁶

Following the Audit-Exchequer Act, the Auditor General can surcharge any person responsible for any deficiency, improper payment, payment which is not duly vouched or one that resulted in a loss of public funds.

⁵⁶ Zimbabwe, Audit and Exchequer Act, 2001. Available at: <https://www.global-regulation.com/law/zimbabwe/3374332/audit-and-exchequer-act.html>

Part 04



International Cooperation

International and regional cooperation among SAIs and ACBs extend the reach and impact of corruption prevention and enforcement actions, be it through the exchange of good practice examples, information and challenges encountered, as well as through the development and agreement on standards and approaches to be adopted nationally. Below are examples from various jurisdictions on informal international cooperation.

SAI to SAI as a route for informal international cooperation

SAIs from different legislations and from different models can also cooperate, share best practices and engage in joint initiatives. For example, the Swedish National Audit Office (NAO) and the General Accounting Commission of Liberia (GAC) have taken part in a cooperation programme, aimed to assist GAC Liberia in its efforts to conduct audits in accordance with international standards. NAO provided support to GAC in the areas of financial investigation and compliance audit, as well as quality assurance.^{57 58} Another example is the French Cour des Comptes, which is currently involved in various support projects including “twinning projects” with Algeria and Senegal, with the provision of on-site resident advisers, and cooperation, direct or in the framework of international programmes, with the SAIs of Burundi, Côte d’Ivoire, Djibouti, Kenya, and Madagascar.

Regional and international SAI networks for collaboration

The INTOSAI Regional Organizations often hold conferences and trainings, and sign MoUs to strengthen the collaboration and communication between individual SAIs from particular regions.

The INTOSAI Development Initiative (IDI) supports Supreme Audit Institutions in developing countries, in their efforts to sustainably enhance performance, independence and professionalism. IDI provides this support by facilitating and coordinating effective SAI capacity development programmes; developing and disseminating Global Public Goods; strengthening regional bodies, networks and communities; and mobilizing scaled up and more effective support to SAIs.

The INTOSAI Working Group on Impact of Science and Technology on Auditing (WGISTA) was established in 2019 by INTOSAI at the International Congress of Supreme Audit Institutions (INCOSAI). WGISTA supports SAIs in understanding the strategic direction of the auditing profession as a result of disruptive technologies and developments in the fields of science and technology and SAIs’ responses to these developments. Some of the key areas of focus of the WGISTA are blockchain, Artificial Intelligence (AI), machine learning, data analytics, quantum computing and 5G networks.

Since the establishment of the Gulf Cooperation Council (GCC), SAIs have held meetings both at the senior and technical levels with a view to achieving the objectives outlined in the GCC Charter. Over the past years, many achievements have been attained in this field such as, for example, the draft rules prepared by a technical working team specialized in audit and legal aspects.

⁵⁷ <https://intosaidonor.org/project/cooperation-between-the-swedish-nao-and-the-general-auditing-commission-of-liberia-gac>

⁵⁸ The Swedish NAO has decided to an increasing extent to start cooperation with SAIs that operate in difficult and fragile contexts. NAO has collaboration with SAIs in Cambodia, Palestine and Zimbabwe in 2016. In 2018 the Swedish NAO also signed agreements with SAIs in Afghanistan and Liberia. For more information: https://www.riksrevisionen.se/download/18.356649f5168605a5877458ae/1548062089272/IU_RAPPORT_ENGLISH.pdf

Regional and international ACB networks for collaboration

In order to be able to tackle corruption as a transnational phenomenon, ACBs need to coordinate their efforts and harmonize their legislation, as recommended by the UNCAC. In accordance with article 5, paragraph 4 UNCAC, “States Parties shall, as appropriate and in accordance with the fundamental principles of their legal system, collaborate with each other and with relevant international and regional organizations in promoting and developing the measures referred to preventive anti-corruption policies and practices”.⁵⁹ This collaboration may include participation in international programmes and projects aimed at the prevention of corruption. ACBs established in execution of article 6 are, consequently central national actors to foster international cooperation in the field.

ACBs can be connected in regional networks, such as for example the European Partners against Corruption (EPAC) and European Contact-point Network against Corruption (EACN). These independent fora for practitioners are united in the common goal of preventing and combating corruption. EPAC is composed of anti-corruption authorities and police oversight bodies from Council of Europe Member Countries. EACN, a more formal network established by decision of the Council of the European Union⁶⁰, bringing together anti-corruption authorities from European Union Member States. The two networks work together as one and most European Union Member State anti-corruption authorities are members of both. Another example is the Network of Corruption Prevention Authorities (NCPA), supported by the Secretariat of the Council of Europe, which aims, among other, to unite efforts to improve the systemic collection, management and exchange of information and best experiences among ACBs.

Another example of an active regional network of anti-corruption bodies is the Eastern Africa Association of Anti-Corruption Authorities (EAAACA), which was established in 2007 with the aim of promoting an ethical culture and encouraging regional cooperation, mutual legal and technical assistance in preventing and combating corruption. The network facilitates the exchange of information and joint trainings and research amongst its members: the Kenya Ethics and Anti-Corruption Commission; the Prevention and Combating of Corruption Bureau of Tanzania; the Inspectorate of Government of Uganda; the Office of the Ombudsman of the Republic of Rwanda, State Inspection General of the Republic of Djibouti, Federal Ethics and Anti-Corruption Commission of Ethiopia; South Sudan Anti-Corruption Commission and Special Brigade Anti-Corruption of the Republic of Burundi.

The Asset Recovery Inter-Agency Network for Eastern Africa (ARIN-EA) is the first informal network of practitioners in the Eastern Africa region to tackle the proceeds of all types of crime including corruption. The network was launched with the support of StAR Initiative of the World Bank and UNODC in 2013 in Kigali, Rwanda during the seventh EAAACA Annual General Meeting (AGM).

Following the suggestion of the President of the Republic of Burundi during the third conference of the in October 2009 held in Bujumbura, Burundi, the African Association of Anti-Corruption Authorities (AAACA) was established in 2011. The AAACA seeks to provide a platform for African countries to tackle corruption as well as reinforce and strengthen good governance across the continent. Among other, the Association aims to promote the effective implementation of the African Union Convention on Preventing and Combating Corruption and UNCAC, promote and facilitate mutual cooperation and cases requiring mutual legal assistance, and facilitate the development and harmonization of mechanisms, strategies and technical cooperation and assistance for the prevention, detection, investigation and control of corruption and related offences in Africa.

⁵⁹ United Nations Convention against Corruption, article 5.4.

⁶⁰ European Council Decision 2008/852/JHA of 24 October 2008 on a contact-point network against corruption.

At the international level, the International Association of Anti-Corruption Authorities (IAACA), was founded in 2006 as the first global institution for ACBs, responsible for investigation, prosecution, and prevention of corruption, worldwide. The IAACA aims to promote the effective implementation of UNCAC and assist ACBs internationally in the prevention of and fight against corruption. To this end, the International Association, promotes, among others, international cooperation in the prevention, investigation and adjudication of corruption offences; measures for the prevention of corruption in the private sector and in the public sector; networking, informal and formal relationships, cooperation and coordination among ACBs and other competent authorities; examination of comparative criminal law and procedure and preventative measures.

The joint efforts of ACBs and other bodies responsible for promoting and protecting integrity, and combating corruption in the Gulf Cooperation Council (GCC) countries resulted in the approval of several principles and guidelines that contribute to reducing corruption, including for example the guidelines for exchanging experiences and expertise among ACBs in the GCC countries and their implementation mechanisms.

Improving international and regional cooperation

Given the nature of the work of ACBs, and the likelihood of anti-corruption efforts being transnational by nature, ACBs have developed extensive experience in collaborating on an international and transnational level. For example, ACBs may be involved in tracking illicit flows or ACBs may be working with international and national law enforcement counterparts and institutions.

International cooperation between SAIs, engagement with established organizations as INTOSAI and its seven Regional Organizations, as well as external local, regional, and international initiatives, although existing already, can be further enhanced. This would allow for the implementation of international fora dedicated to the exchange of experiences, skills, knowledge, and information relating to the role of SAI in fight against corruption.

In overcoming the challenges noted above, the Technical Commission of Transnational Corruption of the Organization of Latin American and Caribbean Supreme Audit Institutions (OLACEFS), previously constituted as a Working Group; for example, is dedicated to promoting the exchange of timely information among the SAIs of the region to enhance the investigation and government oversight processes. For that purpose, in 2021, the Working Group elaborated the “Guide to the exchange of information between Supreme Audit Institutions” which comprises the legal and practical aspects that should be considered in promoting the sustainable exchange and analysis of shared data.

The EUROSAI region has undertaken several cooperation initiatives, through the EUROSAI Task Force on Audit & Ethics, resulting in exchange of experiences, skills, knowledge and information and, also, in guidelines on how to conduct audits in ethics and anti-corruption topics⁶¹. It has recently established a Network for Ethics, covering also the anti-corruption work⁶², and liaising with several partners in the field. In the discussions and training initiatives international and national organizations working in the field of anti-corruption have been involved, such as OECD Public Sector Integrity Division, experts from the Council of Europe, European institutes of internal auditors, national anti-corruption agencies and experts, as well as national branches of Transparency International.

⁶¹ See <http://www.eurosai-tfae.tcontas.pt/activities/Guidance/default.aspx>

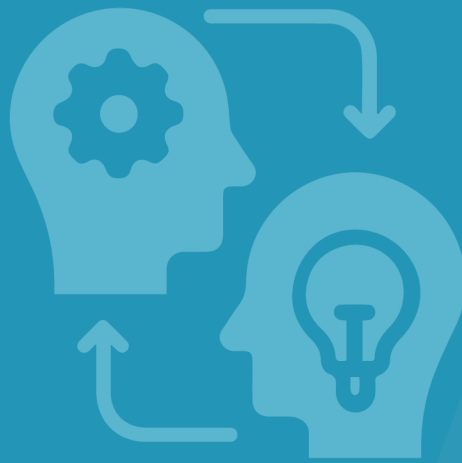
⁶² See <https://eurosai.revizija.hr/default.aspx?aspxerrorpath=/>

Project groups of SAIs were also established to deal with the enhanced risk during the COVID-19 pandemic and the timely and useful role that SAIs should play in that context.

Another possible option could be for SAIs of the countries which may have been affected by the same transnational case of corruption to engage with each other with an aim to share challenges faced and measures adopted that contributed to overcoming such challenges. For example, the Odebrecht case involved several countries from Latin America (particularly Brazil and Peru), Africa, Europe and North America. In this way, the SAIs of these countries could discuss ways of implementing special mechanisms of cooperation, with the exchange of experiences and information, or even try to conduct coordinated and joint audits, where possible.

Notwithstanding the importance of improving international and regional cooperation between SAIs and between ACBs in their dedicated fora, more attention should be given to initiatives in international and regional fora that help bridge the gap between the two types of institutions. For example, in the development of the present Guide, numerous experts and representatives from SAIs and ACBs came together, engaged with each other, and exchanged views on anti-corruption-related matters. This not only ensured the accuracy of the information of the Guide and helped to enrich it with many good practice examples but, was able to foster unique exchanges in an informal and productive setting. In this regard, due effort should be made by other international and regional organizations and platforms to involve each other, allocate sufficient time and capacity in discussing anti-corruption-related issues and means of tackling them, particularly those involving ICTs and new technologies, and support countries willing to enhance the collaboration between SAIs and ACBs on a national and regional level.

Part 05



Knowledge and capacity building

SAIs and ACBs must strive to ensure that their work, both individually and collectively, meets the highest standards expected to ensure accountability and transparency, and effectively counter corruption. This entails developing existing and new skills and knowledge, consistent and innovative ways of working, and addressing gaps and weaknesses, all of which help make the organization more efficient and effective.

In promoting capacity building and continuous learning opportunities, SAIs and ACBs can engage in various activities. Knowledge and capacity building may take on the form of internal training, staff development schemes and formal or informal exchanges between peers, both internally and externally. In order to ensure that SAIs and ACBs are able to consistently build the capacity of their staff, they may engage in assessing their knowledge and skill levels, identifying weaknesses and gaps, and potential constraints to training, be open to the needs for improvement expressed by staff, etc.

Capacity building does not, however, only refer to building capacity internally, it may also entail engaging in awareness-raising and training of staff of other public sector organizations, depending on each institution's mandate. SAIs and ACBs may also be mandated with engaging the general public or the youth through awareness raising and other campaigns. In some jurisdictions, SAIs and ACBs may be responsible for the development of secondary or tertiary modules, as a means of developing the requisite skills and specialization for the recruitment of future staff or in order to promote integrity and ethical behaviours among the general public.

In cooperation with each other, SAIs and ACBs can greatly contribute to developing new and strengthening existing knowledge and capacity of internal staff members, as well as that of external stakeholders. In this respect, SAIs and ACBs are able to bridge the gap by exchanging knowledge, skills and information in their respective areas, as a means of enhancing their collaboration and relationship.

Below are some examples of initiatives implemented by some institutions that engage in continuous learning.

Example India⁶³

SAI India has established a central training institution, the National Academy of Audit and Accounts. The Academy imparts induction training to the Indian Audits and Accounts Service officers recruited as well as continuing professional education programmes for serving officers.

SAI India has two international training facilities, the International Centre for Information Systems and Audit, and the International Centre for Environment Audit and Sustainable Development (iCED). The former is mandated to conduct international training courses on subjects of emerging interest for the global public audit fraternity under multilateral funding programmes, in addition to conducting in house training courses on different audit themes for officers of the Indian Audit & Accounts Department (IAAD) and other departments. It also serves as the primary resource centre for IT auditing in IAAD. The latter, iCED, is a knowledge centre that fosters learning and builds capacity for audit of issues relating to environment and sustainable development, promotes mainstreaming of environmental concerns among government agencies and public auditors, undertakes research that informs audit processes and governance structures related to these issues, acts as an information hub on environment, sustainable development and audit related issues, in addition to building partnerships with SAIs and other organisations working in this area for knowledge and experience sharing.

⁶³ <https://naaa.gov.in/en-IN/index.html>

Example Italy

The Italian National Anti-Corruption Authority (ANAC) carries out actions to promote a culture of public integrity by organizing training courses and special events. For example, together with the Prime Minister's Office, the Ministries of Justice, Education, and Universities and Research, as well as the High Council of the Judiciary (CSM), the National Anti-Mafia and Anti-Terrorism Directorate, and the LUISS University, ANAC promoted a multi-year programme for the "awareness-raising and training activities in schools to promote the culture of legality" with particular emphasis placed on disadvantaged areas of the country. In particular, the programme consists of education and training courses that include seminars and activities on legality education in schools and in juvenile justice services, special training/information packages, and tutoring or providing guidance in selecting and accessing university courses. The promotion of civic awareness among younger generations also through the creation of specialists in planning and programming educational activities on the topics of legality and co-responsibility is one of the major objectives of the initiative.

Example Portugal

Over the years, SAI Portugal has undertaken or participated in many training and knowledge sharing initiatives, joining presenters, facilitators and participants from supreme audit institutions, ACBs, Public Prosecutor offices and other anti-corruption stakeholders, to contribute to the anti-corruption discourse. The Council for the Prevention of Corruption, chaired by the President of the Court of Auditors, has delivered several anti-corruption related educational and training activities for public administration and schools. These activities have often involved members and staff of the SAI.

Example Uganda

Joint Stakeholder Engagement Committee consists of members from the Inspectorate of Government, the Public Procurement and Disposal of Public Assets Agency and the Office of the Attorney General with a background in education and communication. The Committee is responsible to coordinate joint stakeholder engagements, develop joint training material on topics of transparency, accountability and anti-corruption for civil society organizations and the media. The Committee also developed handbooks on topics of transparency, accountability and anti-corruption and short videos on topics of transparency, accountability and anti-corruption.

Other initiatives

Since May 2019, GIZ hosts a Peer-to-Peer Learning Alliance of three African ACBs, including the Namibian Anti-Corruption Commission (ACC), the Kenyan Ethics and Anti-Corruption Commission (EACC) and the Ugandan Inspectorate of Government (IG). By enabling transnational peer-to-peer learning, the Alliance supports its members in contributing to more effective prevention and combating of corruption as part of and within their mandate of their respective anti-corruption authorities. Among others, the Alliance facilitates mutual exchanges, benchmarking visits and trainings to develop technical capacities and collaborative capabilities of its peers.

Part 06



Use of Information and Communication Technologies (ICTs)

There has been a growing international consensus on the importance of the use of information and communication technologies (ICTs) by SAIs to improve the quality and impact of their audits, underlined in the Moscow Declaration and in the adoption of resolution 9/3 by the CoSP in December 2021. The Moscow Declaration, was adopted at INCOSAI in 2019 and called for SAIs to promote the principle of availability and openness of data, source code and algorithms with the aim of making better use of data analytics in audits, including adaptation strategies.⁶⁴ In addition, resolution 9/3 (14) placed a strong emphasis on the use of ICTs by SAIs as essential “to strengthen the implementation of the Convention, to strengthen public awareness and to promote transparency and public reporting, in areas such as public procurement, the management of public finances, and asset and interest disclosure, with a view to facilitating the reporting and detecting of acts of corruption and to supporting the criminal prosecution of corruption related offences”.⁶⁵

Thematic 01

The role of SAIs and ACBs in ensuring the quality of data

The quality of any review is dependent on the quality of the data provided. More so when making use of ICT solutions, the output will never have higher quality than the input in the system. Establishing a digital process may lead to higher quality of audit data in general. This is beneficial independently of the SAI model and may especially facilitate the cooperation between different entities.

To achieve the highest level of success when performing a data-driven audit, two initial tasks should be considered:

- Establishing data standards; and
- Assessing the credibility of data.

A data standard is a description of how data should be stored or exchanged for the consistent collection and interoperability of that data. When collecting data, be it for corruption prevention, investigations or for auditing purposes, it is important that the SAIs, ACBs and the involved bodies or authorities establish a common understanding of the semantics relating to the data to be gathered.

Bodies with greater experience or capacity in ICTs usually have a set of established procedures or information regarding their own ICT systems. In this case, such information may be provided by the source entity and collectively adopted as a data standard for the dataset. Bodies with less experience or capacity in using ICTs usually lack such established procedures or information. In that case, the SAI should interact with the source agency to develop the required text describing the data and how it can be best utilized. A data standard for a dataset may include:

- Data semantics;
- Data type specifications;
- Unique identifiers for each data record;
- Validation rules;
- Internal and external references; and
- Application Programming Interface software (where applicable).

⁶⁴ XXIII INCOSAI 2019. *Moscow Declaration*. Available at: https://www.intosai.org/fileadmin/downloads/news/2019/10/EN_23_Moscow_Decl_300919.pdf

⁶⁵ Conference of the State parties to the United Nations Convention against Corruption 2021. Resolution 9/3 *Follow-up to the Abu Dhabi declaration on enhancing collaboration between supreme audit institutions and anti-corruption bodies to more effectively prevent and fight against corruption, and the use of information and communication technologies*. Available at: <https://www.unodc.org/unodc/en/corruption/COSP/session9-resolutions.html#Res.9-3>

Data credibility relates to the level of confidence that a SAI or ACB has over a given dataset. The level of confidence in the audit conclusions is directly correlated to the level of credibility of the source data. A data credibility assessment is useful to adjust the recommendations regarding the audit findings.

The data credibility itself may be used as evidence for audit findings. For example, a low data credibility level of a dataset used to control a public policy may indicate vulnerabilities in the internal controls of the policy. Severe data credibility issues should be addressed before proceeding with further analysis of the data. A data credibility assessment may evaluate (provide more details for each credibility test):

- Uniqueness of data;
- Completeness of data;
- Consistency of data;
- Accuracy of data;
- Validity of data;
- Uniformity of data; and
- Lawfulness and fairness of the methods to obtain the data.

Audit or review of adherence to data standards

Example Nigeria

SAI Nigeria is currently undertaking a review of major Central Government IT systems with support from the World Bank (IFMIS – which contains the accounting and financial reporting ledgers, and IPPIS – which manages payroll and HR). Initial findings are included in the 2019 Annual Report. Reviews of data quality against set standards are included in the scope of these IT audits.

Direct work to ensure the quality of data being compiled and held

Example Australia⁶⁶

In 2017 the Australian National Audit Office (ANAO) set up its Systems Assurance and Data Analytics Group with the aim of increasing the quality of data obtained as audit evidence and the efficiency of its audit work.

Example Brazil

In 2015, the Court of Accounts (TCU) started a data-driven continuous auditing process of the social security system. The main objective was to reduce the amount spent through improper payments. The first phase of the project was a data credibility assessment of the database used to control concessions and payments of social benefits like pensions and others. This phase resulted in several recommendations regarding data quality improvement that were addressed by the Social Security Agency. The improvement of the data quality itself was found to be directly responsible for lowering the level of improper payments.

⁶⁶ World Bank Group (2021). Supreme Audit Institutions' Use of Information Technology Globally for More Efficient and Effective Audits. Available at: <https://openknowledge.worldbank.org/handle/10986/36515>

Example Egypt

According to the Information Technology Audit Handbook for Financial Audit Institutions issued in 2014 by INTOSAI and IDI, the Accountability State Authority's (ASA) auditors undertake their work in the electronic application environment, which includes the following: (i) documentation of the planning and preparation of the audit scope and objectives; (ii) evidence collected on the basis of which conclusions are arrived at; and, (iii) evaluation of the process involved in the operations of a given area such as payroll system, or financial accounting system.

The ASA aims to provide the work cycle and reports in an automated manner for decision makers and in a manner that is commensurate with the volume of information that the ASA holds. A set of priority applications are developed in the ASA and published to the competent departments, such as: examination and audit management system, analyses and reports (control reports), quality management systems, performance measurement and accreditation, and electronic content management systems.

It is also in line with the digital transformation initiative in ASA as one of the objectives of the National Anti-Corruption Strategy, work is currently underway in the ASA to train auditors on the system and electronic programs for financial auditing in the state's administrative apparatus. ASA receives citizens' complaints against the auditees through ASA's official website.

Example France

The Cour des comptes has a team of ten IT systems auditors to review the maturity model for IT systems of public sector operations. This type of control has been shown to, in some cases, demonstrate a lack of maturity or quality in some IT processes, that have been linked to instances of bribery. During these reviewing operations, the main framework used is the Control Objectives for Information and Related Technologies (COBIT).

Therefore, for their audits in the area of public procurement or public finance management, financial magistrates may have a direct access to databases of the Ministry of Economy and Finance, and to approximately fifty other ministries databases.

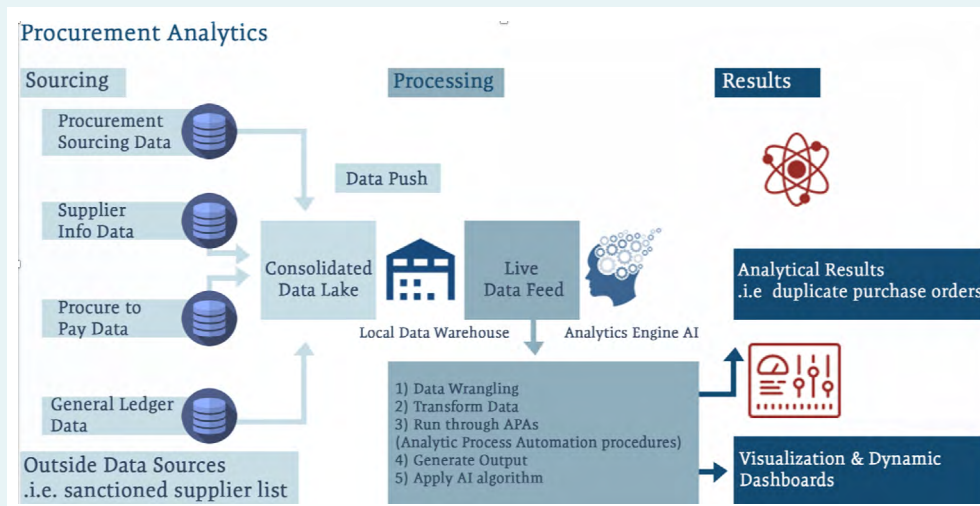
Example Greece

With an aim to enhance the operational capacity and pursue its strategic goals, the National Transparency Authority (NTA) has developed and incorporated modern e-tools to enhance key organizational functions and promote efficiency in operational fields such as asset declarations, auditing and complaints management.

The NTA's Strategic Plan and National Anti-Corruption Action Plan (NACAP) prioritize the modernization of digital infrastructure and networks along with the promotion of technological innovation, using modern e-tools and applications. In this respect, the NTA has introduced an integrated system for the electronic document management system (DMS) which aims to fully digitalize its audit functions. Linked to NTA's e-platform for receiving complaints, the DMS includes a distinct audit workflow for the e-management of each individual case throughout the audit cycle, the e-monitoring of compliance to audit recommendations, and the extraction of quantitative and qualitative data and metadata, thus providing valuable input to future audit planning. In addition, the interoperability between the platform for receiving complaints and the newer DMS allows each individual who has submitted a complaint to monitor the progress of the reported case online.

Example United Arab Emirates

SAI UAE has developed a comprehensive Data Analytics (DA) platform for analysing data at the federal level. The platform utilizes a range of technology, from process automation to analytics processing tools. The platform has multiple areas of focus, with emphasis on data received from entities. Within each of these areas, audit methodology risks are linked to analytical procedures. This platform is also being linked with other technologies such as AI, RPA and visualization tools to deliver a complete end-to-end solution for rapid detection of anomalies. The below illustrates how the analytics architecture is designed, using procurement as an example:



Thematic 02

Use of data analysis or tools by SAIs and ACBs

Independently of the SAI model used, there are various benefits of introducing ICT solutions and processes for the analysis of data. By using programs to conduct audits or in order to identify outliers or certain correlations, processes might be improved by increasing the ability and capacity to undertake lengthy audits. Systemized data analysis may support at all stages, starting from corruption detection to providing evidence to prosecution. Below are a few examples of how various SAIs and ACBs have integrated new ICT solutions or processes.

Use of predictive models to assess the risk of irregularities

Example Brazil

In 2021, the Court of Accounts (TCU) introduced an Artificial Intelligence (AI) enabled solution to estimate the risk and materiality of a public servant's admission and pensions. The AI algorithm uses past Court decisions regarding the admission and pensions as training data to estimate the risk and materiality of each process. The greatest risk processes are selected for analysis by the auditors.

Example India

Data analytics is conducted to derive insights and to identify outliers and high-risk areas (including suspected instances of fraud and analytics). This includes various kinds of analysis, namely gap detection in the records, outlier in the data, correlations with various external data sources, fuzzy matching, pattern matching, etc.

Statistical analysis like Bayesian inference has been used for generating risks/alerts for further validation in the field audit. Specific data points viz. IP Address, User logs, Geo locations and unusual hours / days of transactions are more focused towards detection of suspected fraud and corruption.

Use of network analysis to identify the relations within the data sets has been done in a few audit assignments to detect instances of suspected fraud.

The above techniques have been used in the audit of taxation data (both direct and indirect taxes), National Rural Health Mission and the central registry of vehicles data (VAHAN).

Example South Africa

The Office of the Auditor General (OAG) of South Africa uses forensic data analytics that can be applied with an anti-corruption perspective. The OAG uses forensic data analytics tests to identify high risk contracts – for possible risk of corruption. This is done through a number of tests on the contract or supplier and then compiled into a risk matrix gathering all the information to identify the most at-risk type of contracts. These contracts, should be followed up on by auditors with a forensic background who can detect non-compliance and raise red flags. Some of the findings might be reverted to the Special Investigating Unit for investigation and recovery of losses suffered by the Government.

Manipulation and other uses of data to identify corruption

Example Brazil

Brazil has introduced various Artificial Intelligence (AI) systems to aid auditing processes in the public sector:

- ALICE identifies anomalies in the procurement process on the same day as the publication of bid invitations and terms;
- ÁGATA is used to refine and update the red flags pointed out by ALICE, based on machine learning algorithms;
- SOFIA works as an automatic auditor assistant, through a macro in Microsoft Word processor identifying relevant elements that are searched in the SAIs database;
- ADELE displays information from competition in a particular bidding session;
- MONICA is a dashboard that shows all public purchases including those that ALICE may miss.

Example Ecuador

The SAI has an entity, called Directorate of Information Technology and Interinstitutional Communications that is responsible for ICT related issues, such as supporting the automation of processes of control and monitoring of the information generated. Furthermore, in 2021, there was a process of training a group of experts within the SAI on data analysis and big data, supported by the German Cooperation, through GIZ. The creation of the data analytics unit within the above-mentioned Directorate is currently ongoing.

Example France

The Cour des comptes has the capability to mobilize a team of ten data scientists and ten IT experts to identify possible instances of corruption. The teams are able to collect and analyse financial data in addition to semantic data and supporting evidence such as, e-mail exchanges.

Example Hungary

In 2009, the Supreme Audit Office (SAO) initiated an Integrity Project to help form a culture of integrity in organizations using public funds. Under the framework of this project, SAO started circulating in 2011 integrity surveys covering the entire Hungarian public sector. Through the questionnaire, SAO evaluates corruption risks and controls, through a computer programme, which uses a pre-fixed algorithm. The results of the integrity surveys inform the topics and areas in which to focus the audits on a risk-based approach, as they point out which groups of institutions and scopes of activities show the highest levels of vulnerability. The questions raised in the integrity surveys and the answers provided are also incorporated in the audit programmes.

Example Chile

The Strategic Plan 2021-2024 of the Office of the Comptroller General aims to transform the entity into a data-driven organization. Due to this, the institution developed an Integrated Information System (NIA) to bring together information from internal and external databases provided by anti-corruption agencies such as the Council of Transparency and the Public Procurement Office. Audit teams use this information on data analysis to identify administrative irregularities or conflicts of interests that support oversight labour.

Example South Africa

The Office of the Auditor General identified potential corruption by using forensic data analysis. The data is run through a risk matrix to flag the 20 most important contracts to look at. Additional methodologies are currently being developed by the AGSA to improve the use of ICTs in auditing such as media scanning automated tools, data mining tools to extract the information in a specific form to be used in the forensic data analytics, etc.

Example India

SAI India has developed two models using Machine Learning Algorithms.

- a. A statistical model based on Bayesian Inference was developed in Python for detecting probability of a fraudulent beneficiary. Training of the model was done using the dataset provided by the auditee and accuracy is still being verified during ongoing field audit.
- b. A machine learning model for detecting high risk educational institutions was developed using combinations of various algorithms in Python. Data from a survey by the Government Department was used to locate closed/non-existing schools. The findings were used to perform a Principal Component Analysis and to train the model for the identification of similar schools on a larger dataset.

Example Philippines⁶⁷

The Commission on Audit through its Information Technology Audit Office launched a modernization initiative to make use of modern technological advances in public auditing called project Machine Intelligence, Knowledge-based Audit and Experience Learning (MIKA-EL). Project MIKA-EL assists in the processing of voluminous digital data for faster and more efficient examination and audit and in detecting out-of-normal transactions for a closer look and earliest possible detection of fraud. This involves collection of data electronically as part of its solution to conduct its audit remotely.

Sharing of data between SAIs and ACBs

Example Brazil

Managed by the Court of Accounts (TCU), the Control Information Laboratory (LabContas) is a virtual environment through which auditors and external partners have access to internalized information from more than 90 databases arising from cooperation agreements signed with public institutions, supply contracts, public procurement, partnerships in audit work and access to public sites and databases produced internally by TCU.

The main purpose is to group public databases and make them available in a virtual environment to auditors and other institutions, which can process and analyze data according to their needs. The idea behind LabContas was to create a dynamic of cooperation not only with public bodies, but also with civil society organizations that act and play a role in the control of public expenditures. In this way, LabContas users have access to the platform's solutions and information and, in return, provide their contributions with data from institutions in their jurisdiction and of interest to the control partners.

This environment is used by more than 120 external partners and more than 600 users, of which 215 are external (ACAs, federated states courts of accounts and Public Prosecutors).

Use of ICTs by SAIs and ACBs to better communicate with each other

Example Italy

The Corte dei Conti in Italy has signed MoUs in 2015 and 2018 for the exchange of information and cooperation in investigations. The Corte dei Conti (SAI) recently also signed an MoU with the national authority for digital transformation, which is responsible for promoting digitalization and the digital transformation of public administration.

Example Romania

SAI Romania has established an IT service which encompasses the operative monitoring of financial operations of public services. As such, SAI Romania has the obligation of rising red flags if there is a question over the legality of certain transactions. In addition, there is an ongoing project aimed at creating compatibility between different national databases in order to ensure the communication between different databases.

⁶⁷ COA explores the use of AI to detect statistical anomalies, Available at: <https://www.coa.gov.ph/coa-explores-the-use-of-ai-to-detect-statistical-anomalies/>

Example Indonesia

The Audit Board of the Republic of Indonesia signed an MoU with the ACB, the Corruption Eradication Commission (KPK). One of the areas of collaboration is the follow-up on state law examinations requested by KPK. To facilitate this process, SAI Indonesia uses technologies for case tracking, which can be accessed by law enforcement agencies. This application helps the SAI to maintain regular communication with law enforcement.

Thematic 03

Other innovative uses of ICT by SAIs and ACBs

Example Brazil

The Court of Accounts (TCU) has introduced a mobile app where any citizen may report misconduct. The ombudsman may forward the case to the relevant technical unit if it is determined that the case should be further investigated.

Example France

The French Anticorruption Authority (AFA) conducts a national corruption risk map using data from judicial decisions and other administrative sanctions, to detect and understand which regions or sectors are most prone to corruption. This is undertaken in collaboration with the data service of the Ministry of Economy and Finance.

The Cour des comptes uses ICTs in order to share its reports, with all reports being published online. Being engaged in the Open Government Partnership (OGP), the Court shares the following data:

- Budgetary data used for the annual analysis of the State budget implementation;
- Data establishing its thematic surveys (public entities, policies, etc.)
- Data findings of audits of local government finances;
- Data about financial jurisdiction activities.

Moreover, the Court shares the source code of its financial analytics application OpenAnafi. The inventory of its archives is also published on the national archives website.

The Cour des comptes also uses ICTs to involve citizens in its works:

- Recently, a citizen web platform was established, through which citizens may propose thematics for the next year's agenda, creating a "right to petition". The proposals allow the creation of new thematics or audit focus areas, to better take into consideration the user's point of view.
- In 2022, the Court is expected to establish a web platform to collect reports of malfunctioning by whistleblowers.

Example Ghana

The CitizensEye app of the Ghana Audit Service allows citizens to rate a public service or report an issue that they may have come across. These reports and accompanying information feed into the risk based audit planning of the Audit Service. In case of more severe issues, the Audit Service may consider doing an immediate follow up.

Example India

SAI India undertakes various audit projects covering various schemes in social and revenue sector Audit in two phases viz. Phase-I Data Analytics and Phase-II Field Audit.

The Centre for Data Management and Analytics (CDMA) division of SAI India, through its project in Transport Sector Audit, collects centralized all India data on motor vehicle registration, driver licensing and other e-documents (challan) -for enforcement activities- from the Ministry every six months, hosts it on a cloud-based infrastructure and provides it to 30 field audit offices enabling timely access to Data and along with related analysis/risks identified through modelling.

Secured cloud infrastructure of 100 TB has been created for carrying out data analysis covering cluster of servers with various databases and storage along with on premise 50 TB NAS storage. The work and model of the data analysis is shared with field offices in the form of a report.

CDMA also focuses on regular capacity building activities and interaction with field audit offices to provide technical support and help in audits involving data.

Example Italy

ICT supports all core activities of the Italian Anticorruption Authority (ANAC) that are part of the ongoing digitalization effort in Italy undertaken through large investments in public procurement data and on the measurement of corruption using multiple sources (data related to socioeconomic context: education, labor market, criminality, environment, social capital, etc.).

The National Database of Public Contracts (BDNCP), managed by ANAC, collects and integrates data concerning public procurement procedures. Data is provided by contracting authorities through a digitalized system open to interoperability within the public administration. The recent publication of the contents of the BDNCP in “open data” is an important result in itself, as it enables the public use of a strategic database. The BDNCP can be used both to obtain timely information on single procurement procedures, and to obtain a series of useful statistics, reported in dashboards, concerning aggregated data.

The project “*Corruption risk management and promotion of transparency*” – financed by the European Union and coordinated by ANAC – involves several Italian institutions and experts. 20 risk indicators based on public procurement have already been calculated and further will be developed using the open data contained in the BDNCP. In total, 80 corruption risk indicators/red flags have been developed also taking into account data concerning the socio-economic context. Another innovative aspect of the project is the approach used for data processing. An open source (and free) software is used to calculate the indicators, which includes a wide range of statistical data analysis tools also with the support of the use of so-called artificial intelligence techniques. The ongoing project provides:

- the use of several information systems and databases managed by different Italian institutions and the creation of structured forms of interoperability, with a view of feeding a business intelligence system capable of providing dashboards of indicators and red flags on various aspects related to corruption and maladministration.

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- the release, in open format, not only of data collected and produced, but also of the software developed, allowing free consultation and re-use by other stakeholders.
 - the promotion of civic participation and investment in forms of dissemination of data on corruption risks in order to foster cultural practices that are fundamental for combating corruption and that complement regulatory ones.
 - the data, documents, interactive dashboards and indicators are available at the link: <https://www.anticorruzione.it/indicatori-di-contesto>

Example Russian Federation

The Presidential Administration of the Russian Federation provides the Accounts Chamber with access to the anti-corruption AI-system “Poseidon”, aimed at analyzing information on income, expenses and property-related liabilities of civil servants to identify intra and inter-agency conflicts of interest. “Poseidon” is integrated with the unified information systems (UIS for Managing the Personnel of the State Civil Service; UIS for public procurement, etc.) and databases of state bodies.

While conducting control and accounting activities the Accounts Chamber utilizes “SPARK”, a commercial analytical system (created by the Interfax Group) designed to assess the financial stability of Russian companies. It identifies the companies’ affiliations through mathematical models based on graph theory, linguistic analysis, data mining, ETL and flexible software development methodologies (Scrum, Kanban, DevOps, UX).

Example Uganda

The Office of the Auditor General is launching a Citizens Feedback Platform which will allow citizens to raise issues or suspected misconduct with service delivery that can then inform future and / or ongoing audits in a given public entity.

Example United States of America

The United States Government Accountability Office (GAO) increased its capacity in science and technology analysis through the establishment of a new science, technology assessment and analytics team in 2019. The new unit also comprises a specialist audit innovation lab, aimed at exploring, piloting and deploying new advanced capabilities, conducting research in information assurance and exploring emerging technologies that will impact future audit practices.

Increasing and enhancing the use of ICTs

ICTs can be used to improve data quality, identify potential corruption and facilitate communication between entities. As has been highlighted by this Part of the Guide, the most effective way to benefit from the full potential of ICTs is not only limited to the introduction of a coherent public online system or a particular piece of hardware or software but, also, a combination of undertaking the necessary capacity building initiatives and the adoption of and adherence to appropriate data standards. With respect to the former, it is important to employ, where possible, knowledgeable individuals and experts, and to train existing auditors, anti-corruption officials and other staff on how to use the ICTs. This must also be coupled with the adoption of appropriate data standards which help indicate, among other, how data should be stored or exchanged for the consistent collection and interoperability across the entire system.

It is understood that, while in the long-term improving data quality through the use of ICTs may lead to cost reduction, a major investment might be necessary initially for the development or procurement of software and hardware, as well as the required capacity building for public officials to familiarize themselves and be able to operate the newly-adopted systems and software. The costs may constitute an obstacle for the digitalization of processes.

If ministries and agencies coordinate and try to continuously introduce systems for their authorities that are designed to be compatible with each other for information sharing etc., this may in the long-term create an environment where ICTs can fully work as a facilitator of processes instead of being a hindrance to cooperation. One tool to harmonize data and increase the quality of analyses is to introduce systems, such as Artificial Intelligence (AI), to conduct automated audit procedures and thereby potentially increase both the data quality and its consistency. Yet again, this might demand certain ICT skills of the SAI and ACB employees and initial investments into the systems.

However, legal frameworks might inhibit the introduction of ICTs or the lack of legal frameworks may render the introduction challenging or non-viable. Even if good legal frameworks are in place, public officials need the capacity to interpret and implement them. One such legal framework that will affect how information may be stored and shared between the agencies is the EU's General Data Protection Regulation (GDPR). Thus, ICTs and related tools must be implemented in full compliance with the law, and in particular, the principle of adversarial proceedings and the right to privacy. The algorithms and evidence gathered must be justifiable or, otherwise, risk the rejection by the financial and criminal judicial and other authorities.

Other than an enabling legal environment, the presence of national policies on digitalization could support the use of innovative ICTs. For example, Egypt developed a digital transformation strategy to achieve the most effective ICT governance and ensure transparency. This new strategy includes that reports from whistleblowers made on the SAI website are received from the SAI that looks into the accuracy of the information received and eventually conducts further investigations.

Furthermore, ICTs must be implemented in SAIs and ACBs not only through software engineers and data scientists but, also through well-informed and properly trained controllers and staff. ICTs should not be considered a substitute to financial and legal competences. In Jordan, auditors in IT environments must obtain a certification, the Certified Information System Auditor (CISA) which provides the necessary competencies to conduct information system auditing. Auditors are also trained in-house on auditing techniques, automation and statistical sampling. In addition, SAI Jordan has twinning project which aims to enhance institutional and auditing capacities.



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Office of the Ombudsman of the Republic of Rwanda, Corruption Prevention Unit, 2022: <https://www.ombudsman.gov.rw/en/about-us/units/corruption-prevention-unit>

Portuguese Court of Accounts, studies on COVID-19 and its implication on the work of auditors: <https://erario.tcontas.pt/en-us/content/activity/covid-19.html>

ANNEX 1

International Organization of Supreme Audit Institutions (INTOSAI)

The International Organization of Supreme Audit Institutions (INTOSAI) was founded in 1953 as an autonomous, independent, professional, and non-political organization that operates as an umbrella organization for the external government audit community. It has special consultative status with the Economic and Social Council (ECOSOC).

INTOSAI's vision is to promote good governance by enabling SAIs to help their respective governments improve performance, enhance transparency, ensure accountability, maintain credibility, fight corruption, promote public trust, and foster the efficient and effective receipt and use of public resources to benefit their citizens. There are currently 195 national SAIs and one (1) SAI of a supranational organization, that are full members of INTOSAI.

In addition, there are seven Regional Organizations recognized by INTOSAI. These are related autonomous entities, established to promote its members' professional and technical cooperation on a regional basis.

- **African Organization of Supreme Audit Institutions (AFROSAI):**
Chair in Namibia, General Secretariat in Cameroon.
- **AFROSAI-E**
is a member-based institution with 26 SAIs from English-speaking African countries.
- **CREFIAF**
is a member-based institution with 22 SAIs from French-speaking African countries.
- **Arab Organization of Supreme Audit Institutions (ARABOSAI):**
Chair in Qatar, General Secretariat in Tunisia;
- **Asian Organization of Supreme Audit Institutions (ASOSAI):**
Chair in Vietnam, General Secretariat in China.
- **Caribbean Organization of Supreme Audit Institutions (CAROSAI):**
Chair in Guyana, General Secretariat in Jamaica.
- **European Organization of Supreme Audit Institutions (EUROSAI):**
Chair in Czech Republic, General Secretariat in Spain.
- **Organization of Latin American and Caribbean Supreme Audit Institutions (OLACEFS):**
Chair in Peru, General Secretariat in Chile.
- **Pacific Association of Supreme Audit Institutions (PASAI):**
Chair in Fiji, General Secretariat in New Zealand.

IntoSAINT: a self-assessment tool developed by INTOSAI to assess integrity risks and to assess the maturity level of the integrated management systems of supreme audit institutions. IntoSAINT is targeted at corruption prevention and leads to management recommendations to support the integrity of the organisation. It is a 'qualitative tool' that enables the user to design a tailor made integrity policy and at the same time increase the integrity awareness of employees.⁶⁸

INTOSAI Working Group on Fight Against Corruption and Money Laundering (WGFACML): The Working Group was established in 2007. The Working Group has developed a guideline for the Audit of Corruption Prevention (GUID 5270) and a Guideline on Audit of Corruption Prevention in Public Procurement which will be published soon to help public auditors in preparing and conducting the audit of anti-corruption policies and procedures in government organizations within the scope of their mandate. The Working Group has also developed an INTOSAI document titled 'Guideline of Standards for the Social Control of Public Funds'. The Guideline, while defining Social Control as the exercise of citizen participation on the good control of public management and state resources, proposes public hearings, citizen oversights and citizen complaints as effective mechanisms for social control.

The working group is currently engaged in the preparation of the following guideline documents

- Guideline on Anti-Corruption Practices in Concession and Public-Private Partnership Projects.
- Guideline on Stolen Assets Recovery.
- Guideline on Fighting Against Money Laundering.
- Guideline on Auditing anti-corruption risk management.
- Guideline on Whistle blowers.

⁶⁸ <https://www.intosaicbc.org/intosaint/>

ANNEX 2

Case Studies

Introduction

As noted in Part 1 of the present Practical Guide, prior to identifying potential areas of collaboration between a SAI and ACBs in a given country, it is necessary to map all agencies within the country that contribute to the prevention and fight against corruption. Using the matrix, the following case studies are intended to act as examples of how the mapping of all agencies that are working on anti-corruption in a particular jurisdiction may look like. Please note that the below examples are fictional and may not accurately represent how many jurisdictions function and how the mandates required for preventing and fighting corruption are allocated among national institutions and organizations.

Case Study 1

Country X ratified the United Nations Convention against Corruption in January 2007 and established an independent anti-corruption agency, the Prevention and Investigation of Corruption Offences Agency (PICA), with both preventive and investigative mandates. PICA also engages in public outreach and educates the youth of Country X, both via secondary school workshops on ethics and integrity, as well as through a dedicated tertiary education course, in partnership with three local universities.

Country X's SAI, the Office of the Auditor General, follows the Parliamentary or Westminster model. The SAI is independent of the executive and supports the parliament of Country X to perform its oversight functions. Among other, the Auditor General submits an annual report to the parliamentary public accounts committee, which reviews the findings and regularly publishes its own recommendations on how to better utilize public funds to the Government of Country X. The Office of the Auditor General, as one of the oldest institutions of Country X, is also involved in public outreach and various education initiatives, though independently of PICA.

AGENCY	PREVENTION	DETECTION	CONTROL	INVESTIGATION	SANCTION	PROSECUTION	PUBLIC OUTREACH	EDUCATION
Prevention and Investigation of Corruption Offences Agency (PICA)	Yes (✓)	Yes (✓)	No (X)	Yes (✓)	No (X)	No (X)	Yes (✓)	Yes (✓)
Office of the Auditor General	No (X)	Yes (✓)	No (X)	No (X) (can be consulted)	No (X)	No (X)	Yes (✓)	Yes (✓)
Office of the Public Prosecutor	No (X)	No (X)	No (X)	Yes (✓)	Yes (✓)	Yes (✓)	Yes (✓)	Yes (✓)
Public Accounts Committee	No (X)	No (X)	Yes (✓)	No (X)	No (X)	No (X)	Yes (✓)	No (X)
Office of the Ombudsperson	No (X)	Yes (✓)	No (X)	Yes (✓)	No (X)	No (X)	Yes (✓)	No (X)

As is clear from the matrix above, PICA and the Office of the Auditor General can identify several potential areas in which they can either strengthen their existing collaboration or engage in new collaboration:

- **Under “Detection”**, both PICA and the Office of the Auditor General are able to detect corruption. While the former may be in a better position to focus on acts of corruption as a whole, the latter can provide its expertise on suspected and financial acts of corruption.
- **Under “Investigation”**, PICA is mandated to undertake investigations, together with the Office of the Public Prosecutor and, in some instances, with the Office of the Ombudsperson. That being said, the Office of the Auditor General, while not possessing an investigative mandate, is well-placed to support PICA’s efforts and can be consulted when it comes to gathering of evidence from audit reports or, for example, how a financial crime may have been orchestrated by a suspected public organization or official;
- **Under “Public Outreach”**, all listed bodies engage in some form of public awareness-raising and capacity-building. In this regard, it would be important for PICA and the Office of the Auditor General to discuss ways in which both of their areas of work can be jointly showcased to the general public;
- **Under “Education”**, both PICA and the Office of the Auditor General engage in educational initiatives. One example of how to bridge the gap is to include experts or training materials from the Office of the Auditor General in the course developed by PICA with the local universities.

Case Study 2

Country Y ratified the United Nations Convention against Corruption in October 2008. It initially established a secretariat against corruption under its Ministry of Justice in 2010, before subsequently restructuring in line with its anti-corruption strategy 2016-2020, by creating an independent Anti-Corruption Commission (ACC). While mandated to undertake public outreach activities and establish training courses for other public institutions, children and the youth in general, the ACC is a newer institution and is still encountering challenges with its human resources.

The country’s SAI, the Court of Accounts established in 1890, follows the Judicial or Napoleonic system and is, as a result, mandated to audit all government bodies, ministries, and agencies. The Court of Accounts of Country Y also has the power to audit commercial and industrial entities which are governed wholly or in part by ministries and social security bodies. The SAI holds both an ex-ante control function as well as an ex-post audit function.

AGENCY	PREVENTION	DETECTION	CONTROL	INVESTIGATION	SANCTION	PROSECUTION	PUBLIC OUTREACH	EDUCATION
Anti-Corruption Commission (ACC)	Yes (✓)	No (X)	No (X)	No (X) (preliminary reports only)	No (X)	No (X)	Yes (✓)	Yes (✓)
Court of Accounts	No (X)	Yes (✓)	Yes (✓)	No (X) (preliminary reports only)	Yes (✓)	Yes (✓)	Yes (✓)	No (X)
Public Prosecutor’s Office	No (X)	Yes (✓)	No (X)	Yes (✓)	Yes (✓)	Yes (✓)	Yes (✓)	No (X)
Public Procurement Authority	Yes (✓)	Yes (✓)	Yes (✓)	Yes (✓)	No (X)	No (X)	No (X)	No (X)

Similarly to Case Study 1, a few key areas of potential collaboration become apparent in the case of Country Y:

- **Under “Investigation”**, both the ACC and the Court of Accounts seem to provide certain findings or preliminary assessments to the Public Prosecutor’s Office and the Public Procurement Authority. While these are likely on separate matters, there may be a way to jointly provide advisory services in the conduct of investigations, be it more formally through an established body with representatives from the ACC, the Court of Accounts and other stakeholders or, more informally, where certain information is transferred and feed into the findings of both organizations;
- **Under “Public Outreach”**, the ACC and Court of Accounts have an important role in spreading awareness on their work and how they prevent and combat suspected corruption offences. In this respect, both bodies may find that they can work together, not only to widen their reach but, also as a means of increasing knowledge-sharing, transparency of the organizational functions and structures of both bodies and ensuring consistency in the messages being conveyed, among other.

As was noted in the Practical Guide, the matrix is merely intended to support policymakers, practitioners and other relevant public organizations in visualizing certain areas that may be realistically strengthened when it comes to cooperating on anti-corruption matters. It is worth reiterating, however, that additional opportunities for strengthened collaboration may exist, which are not immediately apparent in the matrix or via the diagnostic tool.

ANNEX 3

Guidelines on establishing a Memorandum of Understanding

As noted in the Practical Guide, one of the most common ways in which public institutions formalize their relationship and enhance their collaboration is through a Memorandum of Understanding (MoU).

In this respect, the purpose of the present Annex is to provide SAIs and ACBs with a sample outline of a MoU that can be used as reference when exploring the possibility of formalizing their relationships and enhancing their collaboration through the drafting and signing of a MoU. While only intended to act as a non-exhaustive outline of indicative areas that should be considered and, if applicable, included in the text of a MoU, the below provisions and corresponding descriptions will likely vary across jurisdictions and models and will almost certainly be affected by the legislation applicable to the SAI and ACB respectively, as well as their specific areas of work.

In addition, the references to certain provisions below may also be of value to those institutions that have already signed a MoU but, that are considering an amendment or are in the habit of periodically reviewing the validity, relevance and contents of existing formalized relationships.

Title – “Memorandum of Understanding between the SAI and the ACB”

1. Introduction

The introduction is intended to provide some background information on issues relating to the current state of cooperation or absence of thereof.

2. Purpose

This provision usually lays out the intention behind the formalization of the relationship between the SAI and ACB. This provision can be set out more generally by, for example, referencing the importance of enhancing collaboration between institutions or, more specifically, by establishing the key areas for cooperation and collaboration contained under the MoU.

Reference can be made to relevant legislation, such as the law establishing an ACB or conferring a mandate, with the caveat that the MoU does not affect, modify, supersede, or limit any powers or obligations set out in the law(s). A further clarification can be made that, in case of conflict between the MoU and any legislation, the legislation will prevail.

3. Definitions

As may be apparent, the provision aims to clearly outline what is understood by the key technical terms contained in the MoU. This can include, but is not limited to, pieces of legislation, governmental and public bodies or specific departments, relevant commissions or councils, titles and roles (e.g., Director, Officer, Auditor, etc.), commonly-used acronyms and abbreviations, etc. The clearer the definitions are made, the less likely it will be for certain provisions to be misconstrued.

4. Mandate and/or Authority

This provision can be used to highlight, among other, the authorities and mandates held by each of the two institutions. Alternatively, a reference to the law that establishes the authorities and mandates can be provided.

5. Guiding Principles

While not always necessary, it may be beneficial to stipulate some general principles that both the SAI and ACB are regulated by or jointly agree upon such as, for example:

- i. the exercise of powers and duties in accordance with each institution's mandate;
- ii. the recognition of the functional and/or operational independence and impartiality, where applicable, of each institution;
- iii. the role played by oversight functions, generally applicable to the SAI;
- iv. the accountability of each institution and the reporting lines it must adhere to;
- v. the rules that govern the management of each institution;
- vi. the need for commitment to fulfil statutory mandates and to establish and maintain a collaborative relationship that facilitates efficient administration and avoids duplication, etc.

6. Roles and Responsibilities/Forms of Cooperation

This part of the MoU outlines, in more detail, the various roles and responsibilities assigned to each party. This can range from existing roles and/or responsibilities, such as reporting requirements, the provision of recommendations based on findings or the requirement to participate in hearings or may include new roles and responsibilities assigned to each institution on the basis of the relationship dictated under the MoU. In the case of the latter, such roles or responsibilities may include the reviewing of reports prepared by the other party, the engagement or consultation of both parties to the MoU when it comes to the development of relevant recommendations, etc. Other responsibilities may also provide how to share data and information with each other or to process data in a uniform / standardized manner.

If more detail is required to avoid a misinterpretation, the roles and responsibilities can be broken down by seniority and level: (i) Heads of the institutions – Auditor / Comptroller General / Director / Commissioner, etc.; (ii) Managers – Head of Section / Division, etc.; and, (iii) Technical staff – Auditor, Investigator, Officer, etc.

7. Reporting and Other Requirements

This provision can specify, in detail, the particular reporting and other requirements that form part of the relationship between the SAI and the ACB. While it may seem repetitive when compared to the provision on Roles and Responsibilities, in many instances it is important to reiterate the reporting framework that regulates the relationship. It should also be borne in mind that the previous provision focuses on how responsibilities are distributed, rather than the actual outputs of these responsibilities and what they should, as a minimum, contain.

More specifically, this provision can include institutional business plans, annual reports, expenditure reports, etc., and can be sub-divided into each of these sections. This is especially important in instances where the report is not merely shared for reference but, where reviews or inputs are expected from each counterpart.

This provision may also include public reporting or posting of information that is publicly accessible (e.g., on each institution's website). This may include, for example, governance documents, annual reports, report findings and recommendations, etc., including the MoU being drafted, which some agencies choose to also upload on their websites.

8. Communications and Administrative Arrangements

The text outlining the forms of communication and the administrative arrangements between the SAI and ACB can either be grouped together or kept as separate stand-alone provisions.

In brief, this section of the MoU should describe, in as much detail as possible, how the timely exchange of information or communication on the operations and administration will be regulated, as well as how each organization regulates its organizational structures. While in many instances, the administrative and organizational frameworks are outlined under statute, this should not prevent the parties interested in entering into an MoU from reiterating such arrangements and including references to relevant legislation.

As such, the provision may, among other, include the following:

- i. forms of communication such as, for example, requests for information, provision of feedback and recommendations, organization of meetings and events, and their respective timelines and/or deadlines;
- ii. references to applicable legislation and/or governmental directives;
- iii. references to applicable policies and guidelines;
- iv. conditions or restrictions relevant to entering into agreements with third parties;
- v. creation, collection, maintenance and disposal of information and records exchange;
- vi. intellectual property rights;
- vii. rules regarding the protection of privacy of information shared, etc.

Finally, it may also be important to include a provision on how contentious matters that may require the attention of both institutions will be handled.

9. Financial Arrangements

Similar to the provision focusing on the administrative arrangements, both for each organization and for the relationship between them, the provision focusing on Financial Arrangements should outline the way each organization regulates its financial procedures. Once more, despite the fact that these procedures are likely to be regulated by law, it may be important to clearly describe how the more relevant aspects that may have an impact on the relationship between the two institutions are handled.

This provision should therefore include, as a minimum and where applicable:

- i. references to applicable legislation and/or governmental directives;
- ii. references to applicable policies and guidelines;
- iii. budget and financial reporting requirements and how joint activities will be funded;
- iv. recovered funds and costs, etc.

10. Confidentiality of Information and Intellectual Property Rights

This provision indicated how confidential information is managed during the cooperation by the agencies involved. In addition, intellectual property rights, specifically copyright, concerning material shared by the parties to carry out the activities under the MoU and the release of such material to other parties can be regulated in this provision.

11. Auditing and Review

While not necessary, it may be relevant to also include a provision outlining how the two institutions may be subject to audits or periodic review. Where applicable, reference can also be made to the possibility of internal audits or reviews being undertaken by one or the other organization. It may also be useful to include text if there is any intention to share audit reports or reviews with each other, beyond those that are already covered under any of the aforementioned provisions.

This provision may be particularly relevant in cases where the SAI is responsible for auditing the ACB and in ensuring that the MoU is not affected by this responsibility on the part of the SAI.

12. Effective Date and Periodic Review

The effective date provision signifies the date on which the MoU becomes legally binding and executed, until revoked or replaced by a subsequent version of the same. Copies of the signed MoU should be kept by both parties to the MoU. In addition, it may be important to include provisions stating that the MoU should remain in force when affirmed by both parties, even if the head of the SAI or the ACB changes, unless an amendment is requested in writing by one or the other party.

Finally, it is important to consider how each party can request a review and/or amendment of the MoU, always in writing, and what limitations may apply. The period review can occur on an annual or biennial basis.

13. Annexes

This section may contain key documents, whether these are policies, guidance notes, organizational charts and/or tables, that are of relevance to the relationship between the SAI and the ACB are being referenced in the MoU, these can be easily included as Annexes to the MoU.

Additional Annexes can be attached to the MoU such as, for example, a table clearly depicting the reporting requirements and timelines or deadlines that need to be adhered to, data requirements and standards that will ensure the consistent collection and interoperability of information, any forms that have been developed to request certain information, etc.

ADDP

Abu Dhabi
Declaration
Programme