

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

Activity Report for 2021-2024

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XII Congress/Plenary Session



EUROSAI

Working Group on the Audit of Funds
Allocated to Disasters and Catastrophes





I. Introduction

The EUROSAI Working Group on the Audit of Funds Allocated to Disasters and Catastrophes (hereinafter - the Working Group) was established in 2014 by the resolution of the IX EUROSAI Congress.

The XI EUROSAI Congress, in recognition of the importance of the achievements of the Working Group, extended its mandate for the next three-year period (2021-2024).

The mission of the Working Group is capacity building, coordination and consolidation of efforts of the European SAIs to help their governments in development of effective and efficient instruments for prevention and consequences elimination of disasters and catastrophes.

As of beginning of 2024, the Working Group unites 17 Supreme Audit Institutions, 15 SAIs of which are members of the Working Group and 2 – observers.

The Working Group was chaired by the Accounting Chamber of Ukraine throughout the entire period of its activity. The Secretariat of the Working Group operates on the basis of the chairing SAI.

In 2021-2024, the implementation of the defined mission of the Working Group was carried out “in three steps” by implementing three strategic goals to mobilise the efforts of the SAIs - members of the Working Group aimed at

1. Professional development of auditors (Step 1 "TOWARDS").
2. Disaster prevention and minimization of relevant threats (Step 2 "FORWARD").
3. Effective external communication (Step 3 "TO THE WORLD").

During this period, the Working Group adapted to the conditions of the COVID-19 pandemic and martial law in Ukraine caused by Russia's aggression, moving meetings and events online and postponing some of them. Despite the challenges, the group implemented the measures of its Strategic Plan for 2021-2024, focusing on the need to monitor funds for disaster prevention and response. The importance of its work has increased in light of the disasters and crises of our time, requiring enhanced cooperation between SAIs, other EUROSAI and INTOSAI groups, as well as NGOs and experts to effectively address global challenges.

I. Progress and outcomes of WGAFADC activities in 2021-2024

1. Professional development of auditors (step 1 "Towards")

Within this Strategic goal, the efforts of the SAIs-members of the Working Group are focused on the professional development of auditors conducting audits in the field of disaster prevention and elimination, exchange of best practices in this area, and development of effective methodological approaches.

The implementation of this Strategic goal is a contribution to the achievement of the EUROSAI Strategic Goal 1 "Supporting effective, innovative and relevant audits by promoting and brokering professional cooperation".

Strategic goal 1 "Mobilization of the SAI's efforts aimed at the professional development of auditors" (step 1 "Towards")

Objectives	Progress and results of activities
<p>1. Improving the practical usefulness of products developed within framework of the Working Group</p>	<p>In order to determine the needs of the members of the Working Group on the development of methodological materials and update the existing products of the Working Group, the Accounting Chamber of Ukraine, as the Chair of the Working Group, conducted a number of surveys.</p> <p>As part of this task, the Working Group:</p> <ul style="list-style-type: none"> - identified topical topics highlighting issues related to: earthquakes; fires; floods; the effectiveness of organizing the implementation of the Sendai Framework Program for Disaster Risk Reduction for 2015–2030; water resources and ecosystems; waste, unsuitable pesticides, as well as lands contaminated with pesticides; unified systems of emergency calls at the national level; - expressed interest in developing practical recommendations for conducting audits of assessing probable losses and minimizing the negative consequences of disasters;



- received materials based on the results of audits in the field of disaster prevention and elimination (disaster-related aid) over the past five years;
- updated the needs of the members of the Working Group in order to form the Strategic Plan of the Working Group for 2024–2027.

Strategic Goals of the Working Group for 2024—2027

- improvement of audit competence;
- cooperation and exchange of experience;
- development and improvement of methodological approaches for the audit of funds allocated for the prevention and elimination of the consequences of disasters

The most relevant objectives of the Working Group for 2024—2027

- developing methodological approaches to the audit assessment of damages and losses caused by natural disasters and catastrophes of various origins;
- continuing work on developing best practices in the field of auditing funds allocated for disaster prevention and elimination;
- promoting the exchange of knowledge and implementation of new approaches to conducting audits in these areas in view of the challenges of the current environment

The relevance of the need to continue developing recommendations for best practice in disaster prevention and overcoming the consequences of disasters

- technogenic;
- ecological

Pic. The results of the survey regarding the determination of the urgent requests of the members of the Working Group for the purpose of forming the Strategic Plan for 2024–2027



In addition, [a database of disaster audits](#) conducted over the past five years by the Working Group members, as well as [a database of audit issues](#), was **created**. The creation of these databases is important for analyzing the effectiveness of security and response measures, studying problems and shortcomings, exchanging information among the Working Group members, as well as for planning and making informed decisions on disaster prevention and recovery;



In particular, based on the information from the databases, [a matrix of audit issues](#) in the field of disasters was **developed**, which is posted on the Working Group's website.



2. Improving the skills of auditors who perform audits in the field of prevention consequences elimination of catastrophes

In 2021-2024, the Working Group held 2 seminars and 2 workshops to improve the skills of auditors conducting audits in the field of disaster prevention and response:



➤ [“Methodological approaches to assessing losses from armed conflicts”](#) (2022, online). The seminar presented methods for determining losses aimed at assessing probable losses and minimising the negative consequences of disasters, namely, assessing losses from armed conflicts;

➤ [“Present disasters: challenges for SAs”](#) (2023, Bucharest, Romania ухарест, Румунія). The seminar presented audit approaches to assessing the consequences of disasters, planning and conducting disaster audits in the field of disasters. The participants got acquainted with the role of the Accounting Chamber of Ukraine in the audits related to the assessment of the consequences of disasters caused by the war in Ukraine, as well as the





	<p>experience in conducting audits regarding the management (prevention, preparedness) of emergencies caused by forest fires and fire prevention tasks in the Hungarian disaster management system.</p> <ul style="list-style-type: none">➤ Workshop "Audit of Governments' Disaster Preparedness: Audit Issues and Criteria" (2023, Bucharest, Romania). Participants exchanged the experience and achievements/best practices of their SAIs in the field of disaster auditing, as this can improve the efficiency and preparedness for disaster response, which will contribute to more effective risk management and reduce the negative impact/consequences of disasters..➤ Workshop "Methodological Approaches to the Audit of Damage Assessment as a Result of armed conflicts of an international nature/armed aggressions" (2024, Warsaw, Poland). The main goal of the workshop is to develop certain elements of the methodology that would help auditors perform an in-depth and comprehensive analysis of the impact of military operations on the economy, social sphere, infrastructure and environment. The workshop participants exchanged experiences, discussed best practices and challenges faced by auditors in performing such tasks. This workshop is a key step towards the creation of a unified methodological framework for SAIs, which will allow an effective response to the challenges associated with military conflicts and their consequences at the international level.
<p>3. Strengthen communication to share experiences and practices between auditors on disaster audits</p>	<p>Since the extension of the Working Group's mandate, four annual meetings of the Working Group have been held. The topics of the plenary sessions were determined based on the current requests of the Working Group members and the challenges faced by the SAI.</p> <ul style="list-style-type: none">➤ The VII meeting of the Working Group was held on 16 November 2021. Due to restrictions caused by the COVID-19 pandemic, the event was organised via video conference. Plenary session on "Natural and man-made disasters: challenges for SAIs". The meeting was attended by 49 participants from 16 SAIs.



- **The VIII meeting of the Working Group** was held on **November 22, 2022** by video conference. Plenary session on "**Disasters caused by force majeure - assessment of probable losses and minimization of negative consequences: challenges for SAI**". 32 participants from 14 SAIs took part in the meeting.



IX Meeting of the Working Group (26-27 October 2023, Bucharest, Romania) (held offline for the first time since 2019). Plenary session on "**Preparedness of Governments for Disaster Prevention and Elimination**". The meeting was attended by 43 participants from 11 SAIs.

- The Xth meeting of the Working Group (22-23 April 2024, Warsaw, Republic of Poland). The topic of the event was "**10 Years of WGAFADC: Achievements, Challenges and Prospects**". The meeting was attended by **////** participants from **///** the SAI.

II. Disaster prevention and minimization of relevant threats (Step 2 "FORWARD")

Within the framework of the above goal, the efforts of the SAI members of the Working Group are focused on researching the prevention of man-made and natural disasters, identifying the most relevant risk areas, maximising the attention of governments to the identified problems, as well as developing and providing effective recommendations to the SAIs to solve them.

The implementation of this Strategic Goal contributes to the achievement of EUROSAI Strategic Goal 2 "Helping SAIs deal with new opportunities and challenges by supporting and facilitating their institutional capacity development".



Strategic goal 2 "Mobilization of the SAI's efforts aimed at disaster prevention and minimization of relevant threats" (Step 2 "Forward")

Objectives	Progress and outcomes
1. Increase the efforts of the SAIs – members of the Working Group to implement their recommendations to improve the safety of critical infrastructure	<p>During the VII meeting of the Working Group, the participants raised the issue of disaster preparedness at the current stage as a new challenge for governments and SAIs and the specifics of determining the performance/efficiency criteria for auditing critical infrastructure facilities.</p> <p>Thus, the participants of the meeting emphasized the need to conduct audits on disaster risk reduction and drew attention to possible steps of the SAI in this direction, in particular:</p> <ul style="list-style-type: none">➤ assessment of compliance of policies or focusing/emphasis on their absence;➤ conducting audits regarding the implementation of disaster risk reduction policies;➤ taking measures to raise awareness of the importance of disaster risk reduction policies. <p>The members of the Working Group outlined the SAI's tasks in planning and conducting audits related to critical infrastructure facilities and pointed out that states need to create an effective management system for the protection of critical infrastructure, as those countries where such a system is in place effectively counteract and prevent terrorist attacks and acts of cybercrime, as well as promptly eliminate the consequences of man-made and natural emergencies.</p>
2. Development of methodological approaches to conducting audits and development of recommendations for SAIs aimed at assessing the probable	<p>During the period 2021-2024, the SAIs faced new challenges, such as those related to the COVID-19 pandemic and its consequences, which became new in the SAIs' work plans and a new challenge, as well as emergency (extreme) situations in public life (war), in particular, the terrible military aggression of the Russian Federation against Ukraine, which actually caused and created significant risks for the occurrence of a number of disasters, in particular: food, humanitarian, environmental and and the threat of a nuclear disaster.</p> <p>In order to unite/combine the efforts of the SAIs to properly assess the global impact of war,</p>

<p>losses and minimizing the negative consequences of disasters due to force majeure</p>	<p>assess the damage caused by war, and develop recommendations for our governments on the best ways to overcome this crisis, and taking into account the interest of the SAIs, work has begun on the development of:</p> <ul style="list-style-type: none"> ➤ Guidelines for auditing the assessment of damages caused by international armed conflicts/armed aggressions; ➤ Practical recommendations on conducting audits of assessment of probable damage assessment and minimisation of the negative consequences of disasters. <p>Such methodological developments are key to uniting efforts in addressing global challenges and highlight the importance of adaptation and flexible response to rapidly changing conditions.</p>
<p>3. Introduce monitoring of government efforts to prevent natural disasters</p>	<p>An important task for the SAI is to monitor the actions of governments aimed at preventing natural disasters by conducting coordinated audits, national audits in this area and developing joint effective recommendations for our governments. Therefore, in 2023, the Working Group's Secretariat, based on the work of the Working Group members during the workshop on "Auditing the Disaster Preparedness of Governments: Audit Issues and Criteria", the Secretary of the Working Group has developed a draft joint regulation on cooperation in conducting a coordinated audit on "Governmental Preparedness for Disaster Prevention and Elimination", which is planned to be conducted taking into account the interest of the Working Group members.</p> <p>In 2021, the international coordinated audit <u>"Transboundary movements of wastes in the light of the Basel Convention Provisions"</u> was completed with the participation of SAIs of Ukraine, Poland (coordinator) and Slovakia. The report on the results of the audit was published on the website of the Accounting Chamber.</p> <p>The results of the audit showed the need to improve the system of control over the international movement of waste, which emphasises the importance of transparency and responsibility in the management of environmentally hazardous materials. These measures are aimed at</p>





preventing environmental the occurrence of environmental disasters and reducing risks to human health that may arise from improper waste management.

2. Effective external communication (step 3 "To the world").

Within the framework of this strategic goal, the efforts of the Working Group's SAI members are focused on improving the Working Group's external communication with stakeholders, increasing awareness of its activities, and attracting maximum attention of the wider community to the issues in the focus of the Working Group's activities.

In carrying out its activities and setting priorities, the Working Group shares the fundamental and instrumental values of EUROSAI, namely:
Independence; Professionalism; Inclusiveness; Cooperation; Innovation; Responsiveness.

Strategic goal 3 "Mobilisation of SAIs' efforts aimed at effective external communication" (step 3 "to the world")


Objectives	Progress and results of activities	
<p>1. Ensuring more effective communication of the results of the Working Group's activities to stakeholders</p>		<p>In order to increase awareness of the Working Group's activities among EUROSAI and INTOSAI members and the general public, as well as to increase attention to disaster prevention issues, the Working Group Secretariat prepared detailed information on its activities for publication in the 26th and 27th editions of the EUROSAI Journal.</p> 

Strategic goal 3 "Mobilisation of SAIs' efforts aimed at effective external communication" (step 3 "to the world")

Objectives	Progress and results of activities
	 <p>The main achievements of the Working Group were presented at the 57th Meeting of the EUROSAI Governing Board held in September 2022 in Lisbon and the 58th Meeting of the EUROSAI Governing Board held in June 2023 in Vilnius, Lithuania.</p> <p>The Working Group's Secretariat ensured prompt coverage of information on the Working Group's activities on its web platform, including the completion of international coordinated audits, signing of joint reports, developed methodological materials and group events.</p>  
<p>2. Ensure the improvement of auditors' qualifications, exchange of experience and best practices, in particular on audits in the field of prevention and</p>	<p>The involvement of international experts contributes to the improvement the qualifications of auditors and expand their knowledge, which significantly increases the level of their professional activity and the image of the SAI.</p> <p>For this reason/purpose, international experts are regularly involved in training events (seminars). In 2021-2024, highly qualified experts from Latvia, Romania, the USA, Ukraine, Serbia, Albania and Bulgaria were invited to hold seminars were invited to conduct seminars.</p> <p>In particular, the Working Group members, together with invited experts, discussed the following issues:</p> <ul style="list-style-type: none"> ➤ climate change, disaster prevention and measures taken by the Government in this area;



Strategic goal 3 "Mobilisation of SAIs' efforts aimed at effective external communication" (step 3 "to the world")

Objectives	Progress and results of activities
elimination of disasters	<ul style="list-style-type: none">➤ audit of the assessment of damage and losses caused by armed conflicts;➤ methodology for assessing environmental damage caused by armed conflict, environmental components;➤ construction of digital infrastructure for reconstruction management, monitoring and audit;➤ audit approaches to assessing the consequences of disasters;➤ and also got acquainted with the GAO's work on disaster preparedness and recovery.
3. Ensure coordination of the efforts of various EUROSAI and INTOSAI Working Bodies in the field of disaster prevention	<p>In order to jointly coordinate efforts aimed at preventing disasters, the Secretariat of the Working Group initiated intensification of cooperation with the Working Group on Disaster Management within the framework of the Sustainable Development Goals of the Latin American Organization of Supreme Audit Institutions (OLACEFS). In particular, the Accounting Chamber, as the Chairman of the Working Group, sent <u>a written appeal to the participants of the GTFD OLACEFS webinar (13 October 2023) dedicated to the Disaster Risk Reduction Day.</u> It was proposed to intensify cooperation within INTOSAI between EUROSAI and OLACEFS regional organisations, in particular between the Working Group and the Trabajo sobre Fiscalización de Gestión de Desastres en el Marco de los Objetivos de Desarrollo Sostenible (GTFD), which will contribute to capacity building, unification and coordination of efforts in developing effective tools for disaster prevention and response.</p>  <p>This step reflects the understanding that disasters know no borders and require a united effort at the international level for effective prevention and response. Through such cooperation, significant progress can be achieved in building the capacity of both organisations, contributing to the creation and improvement of tools for better disaster risk management, and</p>



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Strategic goal 3 "Mobilisation of SAIs' efforts aimed at effective external communication" (step 3 "to the world")

Objectives	Progress and results of activities
	<p>ensuring that governments and societies are better prepared for future challenges. The initiative also aims to strengthen global cooperation within INTOSAI, promoting the exchange of experience and the development of common approaches to disaster prevention and response auditing, in line with the Sustainable Development Goals. This will be an important step towards creating a more sustainable and secure world. Therefore, the work of the Working Group Secretariat in this direction continues.</p>



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