



EUROPEAN
ORGANIZATION
OF REGIONAL
AUDIT INSTITUTIONS



Session 3:

Methodology to implement environmental audits

Speakers:

Michael Waite

Nicolas Brunner

Anne Fikkan

Josep Maria Mallarach (moderator)



Public
Environmental Audit

The Audit Commission methodology for auditing the management of natural resources

Mick Waite
District Auditor
Audit Commission in England

As part of their annual value for money audits, Audit Commission auditors carry out a Use of Resources assessment at each organisation. Within this, auditors look at how well organisations manage their use of natural resources.

This presentation starts by setting out the different themes of the Use of Resources framework. It goes on to explain why the management of natural resources is an important part of the overall assessment, and what we mean by natural resources.

We explore the methodology that auditors use, and the main questions that they seek answers to when looking at the management of natural resources. Under the assessment framework auditors are required to make judgements and award scores to organisations for different levels of performance. The presentation explains what evidence auditors take into account. It also looks at how the different levels of performance feed into the final judgements and scores awarded by auditors.

2008/09 was the first year that auditors looked at the management of natural resources. The presentation gives the results from this first year, and the highlights some of the good practices that auditors found.



The evaluation of domestic waste management at local level in France: audit guide and essential indicators

Nicolas Brunner
President
Regional Audit Chamber of Languedoc-Roussillon

A national survey is currently being conducted into how local authorities carry out their household waste management in France.

- Its aim: to assess domestic waste management at local level by examining, in particular, whether the environmental objectives set by the EU and nationally are being properly taken into consideration
- It involves 19 regional audit chambers
- 110 bodies are being audited: 91 inter-communal cooperation organisations, 7 departmental authorities, 7 communal authorities, 1 agency, 2 semi-public corporations
- The survey will last three years: 2008 (preparation) / 2009 (monitoring) / 2010 (synthesis)

The survey methodology uses the following tools:

- A policy brief setting out the initial questions to be raised in 5 points:
 - Check respect for Community and national priorities
 - Assess the content of departmental-level plans for waste disposal
 - Examine cost and financing control, area and organisational optimisation
 - Check consistency of local resources in relation to stated objectives (prevention, reduction, public information)
 - Examine the follow-up to the results obtained by the authorities
- 7 monitoring sheets: these summarise the challenges and set out the essential points to be audited within the bodies in question
- An indicative report pattern: this covers the main points to be addressed when auditing each body in order to facilitate a national synthesis
- 15 indicators to consider: their uniformity will enable a national reference framework to be produced

Initial observations

- They highlight the effects of environmental will and determination in terms of waste recovery, resistance of public opinion to installing treatment equipment, and costs, but also financing and planning.
- Specific risks have been detected in the initial audits:
 - Risks to the services provided
 - Risks to the legal arrangements
 - Technical and economic risks

Environmental Audits in Europe

Anne Fikkan
Deputy Director General
Office of the Auditor General of Norway

On the EUROSAI¹ Congress in Cracow in June 2008, Norway was elected chair of the Working Group on Environmental Auditing. The working group aims to promote the involvement of supreme audit institutions in environmental audits in Europe and to exchange experiences in this field. At present, the group has 45 member countries.

A large number of environmental audits have been performed and cover a broad aspect of environmental issues and audit methodology.

The environmental challenges are transnational; pollution does not stop at the borders; neither does the deer or the bear. As an example on how these challenges can be met, I would like to present the Russian – Norwegian parallel audit of the management and control of the fish resources in the Barents Sea and the Norwegian Sea.

Unregistered fishing and the illegal harvesting of fish in the Barents Sea and the Norwegian Sea, and the challenges these have set for the fishing authorities' control work, have been central topics in the discussions of the Joint Norwegian-Russian Fisheries Commission in recent years. Although the parties have not yet reached agreement on the extent of the unregistered and illegal fishing, the Russian and Norwegian fisheries authorities agree that the problem is serious.

The Accounts Chamber of the Russian Federation and the Office of the Auditor General of Norway thus conducted a parallel audit of the Management and Control of the Fish Resources in the Barents Sea and the Norwegian Sea in 2006/7. The audit was performed in parallel in the sense that common general audit questions and audit criteria were defined and the same outline used for the reports. The two audit reports were written separately and on the basis of independent information. A major element in the parallel audit has been reciprocal learning, and emphasis has therefore been placed on detailed descriptions of the organisation and working methods of the two countries fisheries management.

The two supreme audit institutions have agreed to follow up the parallel audit in 2008, 2009 and 2010 to assess whether the results of the audit have contributed to a more efficient and effective management of shared living marine resources in the Barents Sea and the Norwegian Sea and whether the audit has helped to solve the problems of illegal fishing and transshipment in these ocean areas.

¹ The European Organisation of Supreme Audit Institutions, an independent, non-political organisation established to promote co-operation and foster exchange of ideas, experiences and techniques among the members.