



Czech Republic  
Supreme Audit Office

# Supreme Audit Office of the Czech Republic Candidacy XI EUROSAI Congress

## **Bid Book**



Since we are one of the candidates for hosting the EUROSAI Congress in 2020 and for the EUROSAI Presidency 2020–2023, let us provide you with this bid book. It follows the lines sent by the current Presidency and the EUROSAI Secretariat in December 2016. Additional information is provided in the [Annex](#).

## 1. PROGRAM FOR THE PRESIDENCY

### 1.1 What should EUROSAI be like in 2023?

EUROSAI should move forward. More than ever it should concentrate on its core mission – to bring value to citizens. It should be an organisation, which functions as a basis with tools, and methods for effective exchange of information useful particularly for members’ audit activities, yet with minimal effort from EUROSAI members, but with maximal value for their work. It is time when all talk with those who have something to say instead of spending hours in sometimes unnecessarily long meetings passively watching presentations. It is time when not always effective circular letters are substituted with relevant objectives addressing concrete issues and involving particular members. It is time to become more effective and efficient.

**To achieve this, EUROSAI 2023 should be characterised by ten following features:**

- **useful**, providing its members with useful ideas, tools and methods for voluntary use in their operations and performance,
- **practical**, responding to the specifically identified current and important needs of its members,
- **flexible**, able to react to new challenges and SAIs’ demands fast and effectively,
- **up-to-date**, following and addressing the recent developments in audit domain,
- **effective**, a result-oriented organisation setting its particular goals and following the progress towards their achievement,
- **active**, offering its useful and particular results and activities to its members,
- **responsive**, listening and operatively addressing demands and suggestions of the members,
- **communicative**, facilitating an exchange of information using new methods and tools,
- **transparent**, clearly presenting the results of its activities and fairly addressing shortcomings,
- **influential**, representing the interest of its members in other SAIs’ platforms (e.g. INTOSAI).

### 1.2 What will be the steps to achieve that goal?

We consider the above mentioned set as the principles to be followed during our presidency. We are also convinced that they address the ideas, concerns and suggestions expressed by EUROSAI members during recently concluded self-assessment scrutiny.

We will facilitate the exchange of information and documents by fostering existing networks and information channels. To become useful and operational, we will support as much practical arrangements for mutual work via EUROSAI implementing bodies, and will advertise a dissemination of their results. We strive to overcome as much as possible the obstacles and bottlenecks in mutual communication, including those caused by the diversity of languages.

Hence, also supporting the principles stated in the ISSAI 12 and reflecting the EUROSAI goals of capacity building, adherence to professional standards and knowledge sharing, we are ready to put the fulfilment of the aforementioned goals of so called **3C project** composed of **comparison, communication and cooperation** in the center of our activities:

#### First C for COMPARISON

We believe that sharing useful information and indicators from broader than national basis, and a possibility to make international comparisons and benchmarking is an effective and convincing tool notably in performance auditing. However, for this we need comparable parameters and to know their values. We see huge potential in efficient sharing of selected international performance parameters with minimal burden for member SAIs and with maximal value for their work. We have already launched the Benchmarking Information Exchange Project (BIEP) enabling international comparison of indicators usable particularly in performance auditing within the framework of V4+2 group of SAIs<sup>1</sup>. International comparisons and benchmarking are also often used for instance by the European Court of Auditors in their performance audits of EU funds executed in the Member States.

#### Second C for COMMUNICATION

We are ready to communicate with the members and establish methodology, database and tools for using the comparable data. These new communication tools will facilitate such benchmarking and save time to auditors since the reliable data will be available. Moreover, we are aware that majority of EUROSAI members is still disadvantaged because they lack the possibility to follow the meetings/documents in their native language. However, today’s technology already offers tools that allow automatic translation and even instant transcription of speech to text. Certainly, these tools do have their limits and they are a long way from being able to comprehensively work with human language. However, we have been already experimenting with such tools and have followed carefully recent developments in this area. We will offer and promote most suitable solutions for members to facilitate successful communication.

<sup>1</sup> Visegrad group plus two (Austria, Czech Republic, Hungary, Poland, Slovakia, Slovenia)

### Third C for COOPERATION

Creating tools and space for better cooperation is our main objective for the Presidency of EUROSAI. This process we have started as the Goal Team 3 chair with the development of databases available to all EUROSAI members and other knowledge sharing activities. This cooperation will be further enhanced by effective communicating the data, indicators and other information usable for comparisons and learning from others experience.

### 1.3 How will the XI EUROSAI Congress contribute to your Presidency program?

- > **What will be the main theme of the XI EUROSAI Congress?**
- > **Please elaborate on the design and working method of the Congress.**

**Regarding the main theme, we talk about “3Congress”, following the above explained 3C project.**

We will build the XI EUROSAI Congress on three basic ideas: prospering international cooperation, streamlined and systematic sharing of knowledge and beneficial international comparison covering emerging issues. The Congress will be arranged in a way that everybody can arrive prepared and fully familiarised with the Congress’s agenda. We do not want to spend a lot of time by reading the materials and by other activities which can be done in advance. We want to solve particular issues and make a clever and effective decisions and changes on the spot. We want the Congress to be as practical as possible, so the EUROSAI members will be able to draw from particular ideas in their activities right after the Congress.

The XI EUROSAI will be modern and interactive and with input from all EUROSAI members. We would like to continue in a good practice of organising interactive workshops and having ambassadors chosen from our auditors and other employees for each delegation. We plan to use modern techniques to exchange information during the Congress which means to take advantage of, e.g., the Slido system which offers interactive Q&A, multimedia presentations, live polls, real-time presentation sharing, or even various fun and interactive tools for relaxation. Certainly, the event will be organised in accord with the New Development Agenda 2030 and will be as sustainable/green as possible.

## 2. INVOLVEMENT IN EUROSAI AND INTOSAI ACTIVITIES

### 2.1 What has been your involvement so far in the activities of EUROSAI?

- the President of EUROSAI from 1996 to 1999,
- organisation of the III EUROSAI Congress in 1996,
- a Governing Board member of EUROSAI from 1993 to 2002,
- the Chair of the EUROSAI Goal Team 3 *Knowledge Sharing (GT3)* since 2011,
- a member of the EUROSAI *Working Group on Environmental Auditing* since 2000,

- a member of the EUROSAI *Training Committee* from 2000 to its end,
- a member of the EUROSAI *Working Group on Information Technologies* since 2002,
- a member of EUROSAI Goal Team 4 *Governance and Communication (GT4)* since 2011,
- a member of the Task Force Audit and Ethics since 2014.

### 2.2 What has been your SAI’s involvement in the activities of INTOSAI or its other Regional Working Groups (or subgroups)?

- a member of the INTOSAI *Working Group on Environmental Auditing* since 1996,
- a member of the INTOSAI *Working Group on the audit of privatization* from 2000 to its end,
- a member of the *Working Group on the Fight Against Corruption and Money Laundering* since 2010,
- a member of the Steering Committee of INTOSAI Working Group on Environmental Auditing from 2002 to 2010, and a leading author of the *Guidance for Supreme Audit Institutions: Auditing Sustainable Energy*,
- the renewal of the membership of the Steering Committee of INTOSAI *Working Group on Environmental Auditing* since 2014, and a leading author of the *Energy Savings* research project and currently developing a new study focused on the *Sustainable Cities*.

To sum-up, our international activities have been extensive. Since our establishment in 1993, we have organised **60 different events**:

- > **27 events were connected to EUROSAI,**
- > **6 to INTOSAI,**
- > **27 to other bodies and organisations**  
(see the [Annex](#) for more details).

### 3. Information on the SAI: What characterizes you (type of SAI, key areas of audit, key strengths)? What is the national context in terms of the external independent audit function? Why should we be a good leader of EUROSAI? How do you think your SAI can specifically contribute to EUROSAI’s ambitions?

> **We are an independent and impartial institution.** The existence of our SAO and its independence from the executive and legislative power is stipulated by the Czech Republic’s Constitution; neither the government nor the Parliament can impose on us any tasks or influence our work and decisions.

The SAO has a collegiate leadership; its managing board consists of the President, the Vice-President and 15 Members. The board adopts, inter alia, the annual audit plan, audit reports and the opinion on the closure of previous year budget accounts. The SAO also provides the Parliament with

its comments on state budget performance. Furthermore, it is requested to comment on the draft legislation related to financial, accounting and audit related matters. We publish the EU Report on annual basis.

Our annual budget is submitted for approval directly to the Czech Parliament; the government has no say in its scrutiny.

› **We cover a broad portfolio of types and areas of audit.** We carry out financial audits and performance audits as well as audits assessing legality of transactions. We audit - with no legal limitation - management of revenues and expenditures in all government sectors, institutions and agencies including grants received from abroad.

› **We are a modern office and we use modern technologies.** We use Business Intelligence. In addition to the Business Intelligence, our audit teams have an analytical tool for inefficiency risks detection in public procurement/contracts at their disposal. The everyday work and relevant information are trailed in accordance with implemented ISSAIs in our modular Audit Information System. Our SAO has also built its own data warehouse collecting and sorting data from public information systems. Moreover, we also use modern approaches for self-improvement – we underwent a self-evaluation according to the SAI Performance Measurement Framework last year.

› **We are broadly respected institution.** All our audit conclusions are regularly discussed by the government and a parliamentary committee; around 85 % of our suggested remedial steps are agreed by them. All our audit reports are broadly covered by national media. We are permanently among the first five public institutions with the highest level of citizens' trust. We are also frequently asked by prosecuting authorities for help with their investigations. Several universities have collaborated with us for a number of years.

› **We are an open and transparent institution.** Our weekly updated budget is available online to everyone, as well as our contracts. We were the first Czech public institution which published its open data in the National Open Data Catalogue.

› **Our people are our wealth.** We have a long-career human resources policy promoting skills and personal development which leads to a very low staff fluctuation and a minimum number of vacant posts. We are gender balanced. We have 51.5 % of men and 48.5 % of women among our senior staff; the overall employee number are 61 % of women and 39 % of men.

› **We are experienced in working at broader than only national dimension.** We are very active in international collaboration (see part 2). We also launched the Benchmarking Information Exchange Project (BIEP – see part 1.2). We administer the EUROSAI database of audit reports, and use the reports as a helping tool in planning and execution of our audits. We have performed 25 coordinated audits with partner SAIs and we are currently involved in two more.

**And why should we be a good leader of EUROSAI?**

**It's simple now. If you managed to read this so far here, you are already aware that we know what we want and how to achieve it.**

**We think we can specifically contribute to EUROSAI ambitions.**

Based on our experience and the above mentioned plans – such as improved communication, international cooperation and information sharing, we believe we can contribute with those ideas to EUROSAI to be a dynamic network. To be a place where SAIs and their staff can exchange knowledge on public sector auditing, thus enabling them to respond to changing needs and circumstances. We will support all activities leading to development of EUROSAI fundamental values and strategic goals. Doing this we expect EUROSAI being an agile network organisation whose activities can be initiated smoothly and then dissolved as needs and demands change.

#### 4. INSTITUTIONAL COMMITMENT

Based on our experience, discussions with preceding EUROSAI Presidencies, and on our involvement in the EUROSAI activities, we have a clear picture of workload concerning the Presidency. The Czech SAO with almost 500 employees is fully prepared to dedicate necessary human resources to a successful running of its Presidency and to appoint a special project management team which will be responsible for the Congress preparation and the Presidency. We will not be a silent Presidency – we will set up a permanent liaison point and hotline in order to be easily accessible.

As for the financial backing of the event and the following Presidency, we already have a preliminary support of the Czech Parliament.

Last but not least, the Czech Republic is one of the safest places in Europe, and its capital, Prague, in addition to its great infrastructure with modern congress facilities and extensive accommodation capacities is very well accessible from many other destinations.

› **For more information visit [www.nku.cz/eurosai-presidency](http://www.nku.cz/eurosai-presidency)**



## ANNEX

EVENT	DATE
<b>EUROSAI</b>	
<b>GB meeting</b>	15–17 April 1993
<b>Preparatory meeting for III EUROSAI Congress</b>	21–23 March 1994
<b>GB meeting</b>	19 May 1996
<b>III EUROSAI Congress</b>	20–23 May 1996
<b>GB meeting</b>	11–12 February 1999
<b>IT seminar</b>	10–15 October 2000
<b>EUROSAI/IDI workshop for trainers</b>	17 October–December 2001
<b>Meeting of the EUROSAI Training Committee</b>	6–7 December 2001
<b>ETC Seminar on Evaluation of Internal Control System</b>	26–28 May 2003
<b>XII Meeting of the EUROSAI Training Committee</b>	14–15 March 2005
<b>ETC Seminar on Better Auditing of Public Aids and Subsidies</b>	6–8 November 2006
<b>ETC Seminar on Auditing of Social Security Systems</b>	10–12 November 2008
<b>ETC Seminar on Experience with the Implementation and Development of VFM Audits in Reaction to New Challenges and Changes of the Environment</b>	27–29 April 2009
<b>Joint Training Event of the Contact Committee of the EU, the ECA, and EUROSAI</b>	25–27 October 2010
<b>Kick-Off meeting of GT3</b>	16–17 November 2011
<b>Seminar on Application of Software Tools in Audits</b>	18–19 September 2012
<b>GT3 meeting</b>	4–5 December 2012
<b>EUROSAI WGEA training seminar on fraud and corruption</b>	14 October 2013
<b>11th Annual EUROSAI WGEA Meeting</b>	15–17 October 2013
<b>GT3 meeting</b>	21–22 November 2013
<b>Seminar on Communication, PR, and Media</b>	5–6 June 2014
<b>Conference on Public Procurement</b>	18 September 2014
<b>Seminar on Audit of the State Budget Revenues</b>	22–24 October 2014
<b>GT3 meeting</b>	12–13 November 2014
<b>GT3 meeting</b>	22–23 October 2015
<b>11th Annual Meeting of EUROSAI WGIT</b>	1–3 June 2016
<b>GT3 meeting</b>	15–16 November 2016
<b>INTOSAI</b>	
<b>10th meeting of the INTOSAI WG on the Audit of Privatisation</b>	8–11 June 2003
<b>INTOSAI WGEA Steering Committee meeting</b>	4–7 April 2005

<b>Seminar on corruption (organised by INTOSAI WGFACML)</b>	12 September 2011
<b>5th Meeting of the INTOSAI WGFACML</b>	13–14 September 2011
<b>Meeting to the INTOSAI WGEA Project on Energy Savings</b>	12–14 May 2015
<b>Meeting of the sub-group 2 of INTOSAI WGFACML</b>	9–10 May 2017
<b>Other</b>	
<b>Seminar on Use of Audit of Electronic Trade Data as Help During Audit Process</b>	9–13 May 1994
<b>Symposium on Audit of Public Funds in a Democratic State</b>	17–19 May 1995
<b>Eco-seminar on Cost of Protection of the Environment and its Audit</b>	8–10 November 1995
<b>Meeting of the presidents of SAIs V4+2</b>	2–3 April 1996
<b>Seminar on Independent Audit in a Democratic State</b>	20–23 October 1997
<b>SIGMA Seminar – Consequences of becoming a member of the European Union on Audit</b>	24–25 February 1998
<b>Seminar of SIGMA</b>	28–30 September 1999
<b>Meeting of the presidents of SAIs of Central and East Europe, Cyprus, Malta and ECA</b>	25–26 October 1999
<b>Seminar of NATO</b>	4–6 September 2000
<b>Meeting of the EU liaison officers</b>	26–27 October 2000
<b>Colloquium on the Environment and Cleanness of Water</b>	20–22 June 2001
<b>IT seminar</b>	5–7 November 2001
<b>Meeting of the SAI presidents of the Candidates Countries</b>	13–14 May 2002
<b>Meeting of the presidents of V4+2</b>	1–2 April 2003
<b>Meeting of the presidents of SAI of EU, Candidates Countries, and ECA</b>	8–10 December 2003
<b>Workshop of the Contact Committee Working Group on Audit Manuals</b>	31 August–3 September 2004
<b>Meeting of the presidents of SAIs V4+2</b>	3–4 November 2005
<b>Meeting of the Contact Committee Working Group on National Reports of the SAIs about Financial Management of the EU</b>	26–28 April 2006
<b>Meeting of the Contact Committee Working Group on Structural Funds III</b>	9–11 December 2007
<b>Seminar on financial audit: Presentation and measurement of National Government's assets with a special attention to IPSAS</b>	14–16 May 2008
<b>Meeting of the EU liaison officers</b>	26–27 April 2010
<b>EUROCONTROL, 76th meeting</b>	9 September 2010
<b>Meeting of the presidents of SAIs V4+2</b>	21–23 September 2011
<b>Seminar on audit quality</b>	23–26 April 2012
<b>Seminar dedicated to the 20th Anniversary of the SAO CR</b>	25 June 2013
<b>Conference on eData</b>	16 June 2015
<b>Meeting of the presidents of SAIs V4+2</b>	6–7 September 2016

ACTIVITY	DATE
<b>Coordinated audits</b>	
<b>Funds earmarked for the implementation of the Swiss-Czech Cooperation Programme to reduce economic and social disparities within the enlarged European Union, CR – Switzerland</b>	2013–2015
<b>Procurement of public building and corruption prevention, CR – Germany</b>	2011–2013
<b>Funds earmarked for improving the environment and landscape under the Rural Development Programme, CR – ECA</b>	2009–2011
<b>Programmes/measures aimed at increasing the employment of disabled persons, Bulgaria – CR – Israel – FYROM – Germany – Rumania – Slovakia – Slovenia – Turkey – Spain – Switzerland – Ukraine – Poland</b>	2009–2011
<b>Administration of the Value Added Tax, CR – Germany</b>	2008–2010
<b>Audit of Projects under Operational Programme Cross-Border Cooperation CR – Poland</b>	2007–2013
<b>Parallel Audit of the Costs of Controls (incl. Technical Assistance), Bulgaria – CR – Finland – Italy – Hungary – Malta – Germany – The Netherlands – Poland – Portugal – Austria – Slovenia – Slovakia – Spain. ECA – Latvia as observers</b>	2007–2013
<b>Performance of the Structural Funds programmes of the European Union in the areas of employment and/or the environment, Finland – Italy – Latvia – Hungary – Malta – Germany – The Netherlands – Poland – Portugal – Austria – Slovakia – Slovenia – Spain and UK.</b> <i>Bulgaria – CR – Lithuania – ECA participated as observers</i>	2007–2008
<b>Audit of the Management and Control Systems of the EU Structural Funds, Hungary – Poland – Austria – Slovakia. CR as observer</b>	2006–2008
<b>Financial means expended on air quality protection, CR – Slovakia – Slovenia – Austria</b>	2006–2008
<b>Administration of the Value Added Tax, CR – Germany</b>	2006–2008
<b>Excise duty administration between the Czech and Slovak Republic CR – Slovakia</b>	2006–2007
<b>State property and financial resources provided for administrations of national parks and preserved territories, CR – Estonia – Finland – France – Hungary – Austria – UK</b>	2005–2008
<b>Expenditure on the Construction of the Motorway Prague – Dresden, CR – Germany</b>	2005–2006
<b>Parallel Audit on the processes for identifying, reporting and following up on Irregularities, CR – Finland – Italy – Latvia – Hungary – Germany – the Netherlands – Poland – Portugal – Slovakia – UK – Spain</b>	2005–2006
<b>State Funds Management and Performance of International Obligations in Hazardous Wastes Treatment (Basel Convention), CR – Slovakia</b>	2005–2006
<b>Administration of Value Added Tax in the Czech Republic and in the Slovak Republic, CR – Slovakia</b>	2004–2005
<b>State Property and Financial Means Allocated to Cover the Work of the Refugee Facilities Administration of the Ministry of Interior, CR – Slovakia</b>	2004–2005
<b>Administration of Value Added Tax and excise taxes between the Czech Republic and Slovak Republic, CR – Slovakia</b>	2002–2004
<b>Implementation of Tasks Related to Environmental Projects and Measures in the Taya River Basin, CR – Austria</b>	2003–2005
<b>State Funds Spent on the Enhancement of Purity of Water in the Oder Watershed, CR – Poland – Slovakia</b>	2001–2002
<b>Embassy of Slovenia in Prague and Embassy of the Czech Republic in Ljubljana, CR – Slovenia</b>	1999–2000

<b>Financial means in the area of air quality protection, CR – Poland</b>	1999–2001
<b>State Funds Allocated in 1997 for the Elimination of Consequences of Floods, CR – Poland</b>	1997–2001
<b>Collection and use of fees for discharge of wastewater into surface waters and audit of water management investments, CR – Poland</b>	1996–1999
<b>Capacity building projects</b>	
<b>Capacity building project for Georgia</b>	2011
<b>Capacity building project for Slovakia</b>	2010–2011
<b>Capacity building project for Montenegro</b>	2013
<b>Capacity building project for Moldova</b>	2015–2016
<b>Secondments</b>	
<b>Secondment at ECA (2 persons)</b>	2002
<b>Secondment at ECA (3 persons)</b>	2004–2007
<b>Secondment at ECA (1 person)</b>	2012–2013
<b>Projects</b>	
<b>Auditing Sustainable Energy – Guidance for SAIs</b>	2010
<b>Practical Guide for Organising EUROSAI Training events</b>	2012
<b>Creation of the Database of Audits</b>	2015
<b>Creation of the Database of Products</b>	2014
<b>Creation of the Database of Training Events</b>	2014
<b>Energy Savings</b>	2016
<b>External auditors</b>	
<b>Board of Auditors of OECD</b>	2001–2005
<b>College of Auditors of EDA</b>	2008–2010
<b>Audit Board of EUROCONTROL</b>	2008–2011
<b>College of Auditors of EDA</b>	2014–2017
<b>Audit Commission of ESA (Member of Audit Commission)</b>	2016–2019
<b>Audit Commission of ESA (Permanent Agent)</b>	2016–2019
<b>Meetings with ambassadors</b>	
<b>Annual regular meeting with ambassadors of the EU Member States situated in the Czech Republic and a representative from the Ministry of Foreign Affairs of the Czech Republic</b>	2007–2017
<b>Self-assessment</b>	
<b>Self-assessment</b>	2005–2006
<b>Cooperation with NATO</b>	
<b>Regular annual meetings of Competent National Audit Bodies of NATO</b>	since 1999
<b>Member of the Steering Committee of the International Board of Auditors of NATO</b>	2012–2013