



ECOSOC High Level Political Forum Ministerial Segment



Reviewing and monitoring progress: What have we learned and how can it advance implementation?

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Introduction

- **This Panel Discussion is the valuable continuation of a long-lasting cooperation between the UN ECOSOC and INTOSAI.**
- **Successful results (commonly achieved):**
 - 2 ECOSOC Resolutions (2011, 2014) and 1 to be adopted in July 2015
 - 2 Resolutions by the UN GA (66/209 (2011) and 69/228 (2014))
 - Synthesis Report of the UN SG - Call for the necessity of strengthening SAIs by the legislature.



Importance of Supreme Audit Institutions for an effective review and monitoring process (1)

- **The experiences with regard to the MDGs have shown that their implementation can only succeed if accountability and transparency are in place.**
- **Supreme Audit Institutions (SAIs) can essentially contribute to an efficient monitoring and review process with regard to the resources at hand - how these resources are used, by whom and in what way.**



Importance of SAIs for an effective review and monitoring process (3)

However, the UN Task Team on Sustainable Development identified the main weaknesses of the implementation of the MDGs:

- **Shortcomings in governance and capacity in public administration:**
- **Lack of transparency**
- **Lack of accountability**
- **Lack of ownership**



Role of SAIs in strengthening monitoring and review (1)

Central lesson learnt:

- **Only strong, independent SAIs at the national level are in the position to strengthen transparency and accountability and thereby provide the basis for effective review and monitoring mechanisms for the implementation of the SDGs.**



Role of SAIs in strengthening monitoring and review (2)

Series of obstacles for SAIs to fully unfold their potential in contributing to reviewing and monitoring frameworks for SDG implementation:

- **Lack of legal, financial and organizational independence of SAIs from governments**
- **Lack of a comprehensive mandate to audit government performance (performance and financial audits)**
- **Lack of outcome-oriented budgeting and**
- **Lack of possibilities to provide a formal audit opinion on government accounts because of shortcomings of rules for accounting, reporting and monitoring of public and state budgets**



Recognition of the important contribution of SAIs by the UN (1)

Role of SAIs in promoting transparency and accountability for sustainable development has already repeatedly been recognized by the UN:

- ***Call of UN SG Ban Ki-moon for strengthening SAIs (Synthesis Report December 2014)***
- ***The UN GA Resolutions A 66/209 and A69/228***
- ***Reports of CEPA***
- ***ECOSOC Resolutions 2011 and 2014***



Repeated recognition by ECOSOC 2015 (2)

Also the draft ECOSOC Resolution (to be adopted in July 2015)

- ***recognizes that national oversight institutions have an essential role to play in the implementation of post-2015 development agenda;***
- ***encourages governments at all levels to strengthen public financial management by modernizing accounting standards and introducing more advanced systems of accounting.***



Further arguments

- **Therefore we should – in line with the UN decisions and especially with the ECOSOC Resolution - do our utmost**
- **to reach the Goal, that UN Member States include**
- **Independence of SAIs**
- **capacity building of SAIs and**
- **the improvement of public accounting systems**
- **in the Post 2015 Development Agenda.**



Benefits of independence and capacity of SAIs: Performance audits (1)

Independence and a comprehensive audit mandate can substantially contribute to a review and monitoring mechanism, because

- **Performance audits are revealing information on**
- **efficiency, effectiveness and economy**
- **of all areas of government action**



Benefits of improved public accounting systems (1)

- **Furthermore - as a basis for effective governing the implementation of SDGs - a public accounting system is necessary, which provides for a true and fair view of state budgets.**
- **Currently this true and fair view is not in place because of a series of deficiencies**
- **But: A true and fair view of public finances is key to successful governing resources for implementation of SDGs and to reliable information for decision makers.**



Benefits of improved public accounting systems (2) True and fair view is ...

- **key for citizens: We need to know, where we stand.**
- **a precondition for sustainability of public finances: We need to know, what to do.**
- **fostering accountability of decision makers: Supports them to do the necessary things.**
- **core task for SAIs: We provide a realistic picture of and recommendations to improve public finances.**
- **key for successful implementation of SDGs.**



Benefits of improved public accounting systems (3)

Necessary tools

- **A necessary tool for this true and fair view is, that we not only compare revenues and expenses (cash accounting) but also have a clear view of**
 - perspective on liquidity
 - the use and inflow of resources and
 - assets and liabilities.



Conclusion (1)

- **Only independent SAIs can provide reliable, objective and unbiased information related to an effective review and monitoring mechanism.**
- **Performance and financial audits provide public institutions with a valuable basis for making decisions on further measures to be taken.**
- **As a precondition an outcome-oriented budgeting and a public accounting system providing for a true and fair view of the state budget has to be in place.**



Conclusion (2)

- **Only a measureable and true and fair view of the state budget will**
 - **enable the budget authority to take fact base decisions, and**
 - **essentially support national governments in taking their responsibilities for executing the budget and**
 - **guarantee unbiased and objective institutions also related to a review and monitoring mechanism.**



Appeal (1)



- **Now the international community has to create the necessary preconditions and is called upon to strengthen SAIs in order to enable them to play an active role in review and monitoring mechanisms of the SDGs**
- **We therefore urge all of you for your active support for the role of SAIs by**
 1. **including a clear commitment to**
 - **strengthen SAIs and to**
 - **increase transparency in the budgeting process****in the Addis Abeba Declaration next week.**



Appeal (2)

This would be a decisive step for

2. including in the Post 2015 Development Agenda

- **Independence of SAIs**
- **Capacity Building of SAIs and**
- **the improvement of public accounting systems**

as essential elements in order to strengthen review and monitoring mechanisms for the implementation of the SDGs worldwide.



Thank you



Thank you very much for your attention!



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