

Report of the ASOSAI Working Group on Environmental Auditing

(13th Meeting of INTOSAI WGEA, Guangxi China, June 2010)

Main activities of the Working Group on Environmental Auditing of the ASOSAI since January 2009, when the 12th INTOSAI WGEA concluded.

I. Cooperative audit and research work within the ASOSAI on environmental auditing

1. The cooperative audit on forest carried out by SAIs of Indonesia and Malaysia has been accomplished. This is the second cooperative audit project within the ASOSAI WGEA, which not only expands the scope, but also explores approaches of cooperative environmental audit, and, consequently promotes the development of cooperative environmental auditing in Asia.

2. The *Guidelines on Environmental Auditing of ASOSAI* was published. “Environmental auditing guidelines” is the topic of the 8th research project of the ASOSAI which was launched in July 2007. Over two years, auditors from the SAIs of China, India, Malaysia, Pakistan and Saudi Arabia had convened 5 research meetings and drafted the guidelines. It includes “Basic concepts of environmental auditing”, “Fundamental knowledge on air, water, solid waste and biodiversity”, “Major issues to be addressed in the audits of air, water, solid waste and biodiversity”, and “List of environmental audit projects in Asia”. The guidelines were approved at the 40th Governing Board Meeting of the ASOSAI in October 2009.

II. Active international exchanges on environmental auditing

In May 2009, representatives from the secretariat of ASOSAI WGEA attended the 6th EUROSAI-OLACEFS Conference. At the conference, they gave a brief introduction to the ASOSAI WGEA, the environmental audits carried out by the working group, and the preparation for the 13th meeting of the INTOSAI WGEA.

In October 2009, the ASOSAI WGEA secretariat was invited to attend the 7th meeting of the EUROSAI WGEA. Through consecutively participating in the meetings of EUROSAI WGEA in recent years, the secretariat of ASOSAI WGEA has got a better understanding of the work of EUROSAI WGEA, and enhanced communication between two regional working groups.

In August 2009 and February 2010 respectively, representatives from the SAI of China, Indonesia and Malaysia attended the 8th and 9th steering committee meetings of the INTOSAI WGEA, and organized and participated in the research projects on formulation of audit guidelines on “forest” and “sustainable energy”.

In addition, The CNAO fulfills its duty with due care chairing the Theme II of the INCOSAI XX — “Environmental Auditing and Sustainable Development”. The CNAO established a taskforce, prepared working plan, and allocated special budget for the preparation of Theme II. Up to now, the preparation work has been undergoing smoothly. As of June 2009, the Principal Paper on Environmental Auditing and Sustainable Development was finished and translated. By the end of March, 42 country papers were submitted. Then, the CNAO taskforce drafted the discussion paper after carefully studied the country papers and made references to related documents of the INTOSAI WGEA. And we would like to review and discuss the paper with our colleagues in this meeting.

III. Future workplan of the Working Group

1. Taking active measures to further explore and encourage cooperative environmental audits within Asia;
2. Prepare the work plan (2011-2013) of ASOSAI WGEA;
3. Continue to fulfill the duty of theme chair of Theme II “Environmental Auditing and Sustainable Development” of INCOSAI XX, in preparing the discussion paper.

Dear colleague, both the Chinese government and the CNAO attach great importance to environmental protection and environmental auditing. Since 2006, governments and departments at various levels of China make “energy conservation and emission reduction” as the inception point of economic restructuring and development mode shifting.

The work of Theme II has got valuable support and assistance from the SAI of

Estonia, Chair of INTOSAI WGEA, the SAI of Poland, Vice Chair of Theme II, and the SAIs of Canada, South Africa, and so on. Taking this opportunity, I would like to express our gratitude for kind support from all of you.