WELCOMING REMARKS BY MR. LUDOVICK UTOUH, THE CONTROLLER AND AUDITOR GENERAL - TANZANIA, AT THE OFFICIAL OPENING OF THE ELEVENTH INTOSAI WORKING GROUP MEETING ON ENVIRONMENTAL AUDITING (WGEA 11) ARUSHA, TANZANIA 26TH JUNE 2007

Hon. Guest of Honor, His Excellency Dr. Alli Mohammed Shein, Vice President of the United Republic of Tanzania,

Honourable Professor Mark Mwandosya, Minister Responsible for Environment,

Honorable Chairman of the Public Accounts Committee,

Honorable Chairman of the Local Authority Accounts Committee,

Honorable Members of Parliament,

Ag. Regional Commissioner Arusha,

Chairperson of Working Group on Environmental Auditing (WGEA) and Auditor General of Canada Mrs. Sheila Fraser,

Controller and Auditors General and Auditors General present,

Members of Working Group on Environmental Auditing (WGEA),

Government Officials,

Members of the Press,

Distinguished delegates,

Ladies and Gentlemen.

Honourable guest of honour, on behalf of the National Audit Office the Chairperson of the INTOSAI Working Group on Environmental Auditing (WGEA) and Auditor General of Canada

and on my behalf, I have great pleasure to welcome you to this meeting and to register our appreciation for your accepting to be our guest of honour on this event. We know for sure that your time schedule is very tight in saving the Nation but still you were able to be with us today.

It is my pleasure too, to welcome all our foreign participants from over 58 countries across the world in this august meeting. We have also welcomed the major auditing practising firms in the country to witness the inauguration session of this important international meeting.

Honourable Vice President,

This conference has brought together more than 150 participants from 58 countries. We from the National Audit Office - Tanzania and the rest of Tanzanians regard this meeting as a very important one because we believe it will play a crucial role in building the capacity of most SAI's in developing countries on this topical and crucial theme of environmental auditing.

We believe the Meeting will serve as a knowledge and experience sharing forum between developed Supreme Audit Institutions (SAIs) and developing SAIs on environmental auditing and environmental protection. The meeting has come at the right time when everyone in Tanzania and the rest of the world

are concerned with the global climate changes which cannot be separated from the concerns about environmental issues.

The 4th phase government of Tanzania under the very able leadership of His Excellency J. M. Kikwete assisted by His Excellency Dr. Ali Mohamed Shein, Vice President of The United Republic of Tanzania has emphasized the importance of Environment and Sustainable Development in Tanzania for a long time. I would like just to underline what the Government agenda on sustainable development is our responsibility for the existing generation and the generations to come in future. Whether it is in a developed country or it is in a developing country sustainable development has equal importance in each country. Sustainable development brings together economic growth, societal wellbeing, democratic morals and respect for the surroundings which includes the environment we live in.

Honorable guest of honor,

There are no significant differences in audit methodology and approach between environmental auditing and other types of auditing. The full range of auditing tools can be applied to environmental auditing. A financial audit, for example, can assess whether environmental costs and liabilities are reflected in the financial statements being presented.

Compliance audit on the other hand aims at providing assurance that government activities were conducted in accordance with environmental laws, standards and policies, both at national and international levels.

Also performance audits are widely used by SAIs to assess the government's management of environmental programs. These can determine, for example, whether environmental programs are managed with due regard to economy, efficiency, and environmental impact, and whether there are measures in place to determine how effective the programs are.

Therefore environmental auditing though based on the same audit methodology differs slightly from the other types of audits in its focus on environmental issues.

Honorable guest of honor,

As we live in a highly interdependent and interconnected world, our environmental problems stretch right across the planet and cannot be dealt with by individual efforts alone.

Public awareness of environmental problems has grown steadily over the last several decades, and governments are facing increasing pressures to find solutions. Many national governments now have legislation and regulations that require governments to reduce pollution, protect ecosystems, or foster

sustainable development. As a result, governments face a mounting demand both at home and abroad for better governance and more accountability in relation to environmental policies and programs.

With this increased awareness, has come a growing demand for environmental auditing services and expertise.

In the light of this growing demand and recent trends in environmental auditing, I believe that environmental auditing will remain an essential auditing activity at both the national and international levels.

Honorable guest of honor,

To many SAIs, environmental auditing is now becoming one of the mainstream activity. Efforts in this area are helping governments do a better job in protecting the environment. When governments spend significant public resources on managing environmental problems, Supreme Audit Institutions can provide the information to Parliaments needed to hold Government accountable for prudent financial management.

They also contribute to holding governments accountable for compliance with international agreements as well as with domestic laws and regulations affecting environment.

SAIs will also want to review their government's financial statements to ensure that they account for environmental costs and liabilities created by land holdings and ongoing operations.

Honourable guest of honour,

It might be interesting to mention that many of our people we serve believe that the role of the National Audit Office ends up on financial information. The aim of public sector audit goes beyond financial audits especially in situation where "profit and loss" bottom line does not apply and where financial statements do not adequately capture the performance of an organization against its objectives. Hence, environmental audit is one type of audit that the SAI of Tanzania and other members of INTOSAI have decided to develop for the reason that they have greatest impact on the public sector, where profit and loss is generally inapplicable as a performance measure.

Building capacity in environmental auditing in our SAI's is a challenge that INTOSAI may wish to intervene and I believe this is the essence of the four days meeting.

Honourable Guest of Honour,

The Swahili saying that "Kinga ni Bora Kuliko Tiba" (Prevention is better than cure) is a saying which reminds us of the possibility of spending a huge percentage of our scarce resources in future for cleaning up contaminated environment which could

have been avoided by doing the right action now to favour our environment. I have confidence that many of our SAIs with the help of INTOSAI can take up the challenge to encourage development in our countries that are environmental friendly for the benefits of existing and many generations to come.

Finally, I wish to say that the moto for this Meeting is ***"yatunze mazingira yakutunze na wewe" (Protect the environment it will protect you).***

Honourable Guest of Honour,

Having given the introductory remarks to our meeting, it is now my pleasure to welcome Mrs. Sheila Frazer, the Chairperson of the 11th meeting of INTOSAI Working Group on Environmental Auditing and Auditor General of Canada to give her introductory remarks before our Guest of Honour officially opens our meeting.

Thank you.