Regional Project for Strengthening External Control in the Environmental Area
2016-2022 · Latin American and Caribbean

# ENVIRONMENTAL GOVERNANCE

## Special Edition COVID-19

# ENVIRONMENTAL GOVERNANCE — SPECIAL EDITION COVID-19

# CONTENTS

# PRESENTATION

**S**ome issues have notoriously emerged in these times. Integrity, transparency, the joint action of multiple actors, the sum of efforts, equity, and commitment to the best results are vectors for fair and sustainable development.

All these issues are present in the 2030 Agenda, a plan of action for people, for the planet, and for prosperity, which seeks to strengthen universal peace and recognizes the eradication of poverty as an indispensable requirement. The 2030 Agenda is a global commitment that has established 17 Sustainable Development Goals, specified in 169 targets that address crucial areas for humanity and the planet.

The Regional Cooperation Project for Strengthening External Control in the Environmental Area – implemented by the Federal Court of Accounts (TCU – Brazil), the Latin American and Caribbean Organization of Supreme Audit Institutions (OLACEFS), and the German Cooperation, through Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, with resources from the German Federal Ministry for Economic Cooperation and Development (BMZ) – aims to contribute to strengthening the external control of public governance aligned with the 2030 Agenda.

The Project, initially established for the 2016–2020 period, obtained an extension due to the relevance of the external control action in the face of the COVID-19 pandemic.

In this extension, the Project supported initiatives whose themes are interconnected: prevention and fighting against corruption, acceleration of digitalization processes, gender equity, citizen participation, in addition to environment and diversity, and measures related to the pandemic COVID-19. All of them converge to generate contributions to the 2030 Agenda.

The good results achieved in the regular period of activity were presented in the previous editions of the Environmental Governance Magazine. In this special edition, we present an overview of the initiatives launched in this period and their results, of which we are very proud.

We conclude this cycle by contributing to the strengthening of OLACEFS and the SAIs of the region, with more effective auditing processes, regional exchanges, and a more robust external control of public governance, especially in the environmental area.

## MAGAZINES · PREVIOUS EDITIONS

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OLACEFS
ORGANIZACIÓN LATINOAMERICANA Y DEL CARIBE
DE ENTIDADES FISCALIZADORAS SUPERIORES

**Dear Colleagues,**

In 2020, due to the outbreak of the COVID-19 pandemic, the regional Project for Strengthening External Control in the Environmental Area, implemented by GIZ, on behalf of the German Cooperation, had the opportunity to adjust some of its approaches seeking to effectively contribute to address this global health emergency. This was possible thanks to the results achieved so far, and due to the interest shown by our partners, the Federal Court of Auditors (TCU) of Brazil and the Latin American and Caribbean Organization of Supreme Audit Institutions (OLACEFS), and the support received from the German Federal Ministry for Economic Cooperation and Development (BMZ). Through extensions in the project's term, until December 31, 2022, and the inclusion of additional resources, it was possible to design, develop and monitor new initiatives to strengthen the government's external control in the environmental area, but especially in other areas related to the need to mitigate the impact of the pandemic.

This **Special Edition of the Environmental Governance Magazine** presents the main results and general information on the initiatives developed in the context of the response to the pandemic, such as: coordinated audit of the effectiveness of government Socioeconomic Assistance Programs promoted in response to the health emergency; boost the theme of gender equality and non-discrimination, through a regional Policy at OLACEFS and measures for the development of capacities in that matter; studies on the role of SAIs in preventing and mitigating of Fauna and Flora Trafficking; identify mechanisms for evaluating the feasibility of large public works, and measures to promote the digital transformation process and the use of technologies in the audit process.

On behalf of German Cooperation, we express our most sincere thanks to the authorities, and to the audit teams and colleagues at TCU in Brazil and other Supreme Audit Institutions that are part of OLACEFS. A special acknowledgment to the INTOSAI Development Initiative (IDI) colleagues, the International Organization of Supreme Audit Institutions (INTOSAI), other cooperators, consultants, as well as key stakeholders who have actively contributed and inspired us to achieve the results we share in this magazine. ■

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# Coordinated Audit on SOCIOECONOMIC ASSISTANCE PROGRAMS

implemented by the regional countries in the context of the COVID-19 pandemic

## Specialized Technical Commission for the Fight against Transnational Corruption (CTCT)

Coordinator: SAI Ecuador
Participants: SAIs of Argentina, Brazil, Ecuador, Guatemala, Honduras, Panama, Paraguay, and the Dominican Republic

1 NO POVERTY

5 GENDER EQUALITY

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

The COVID-19 pandemic aggravated vulnerabilities, caused serious economic crises, and has deepened social inequality. To respond to this context, governments have implemented social and economic assistance packages.

Due to the emergency to respond to the crisis, international reports alerted that the pandemic caused a flexibility of controls, indicating possible risks of resource management, including on the selection of beneficiaries of these packages.

Given this scenario, the Technical Commission for the Fight against Transnational Corruption (CTCT) of OLACEFS, with the participation of SAIs from 8 countries in the region, initiated a Coordinated Audit to examine and evaluate the efficiency and effectiveness, of socio-economic aid programs promoted by the Latin American governments within the context of the COVID-19 pandemic. This performance audit also contemplates the examination of gender criteria in the programs and the selection of their ben-

*"In addition to providing a regional overview on the issue, as SAIs we learn from our peers when we carry out a coordinated audit. This type of audit allows both SAIs, governments and decision makers to identify the experience, weaknesses and good practices of each other."*

**Marco Terán**, EFS Ecuador, Lider of the Audit Coordinator Team

• the way the programs were implemented

• transparency in the allocation and execution of resources

## Evaluate the management of socio-economic assistance programs during emergencies allows governments to improve preparedness for similar future events.

eficiaries, and citizen participation in the elaboration of the analyses, considering the advantages of digitalization for this process.

In addition to the management aspects, the Audit evaluates the impacts of these programs in achieving the Sustainable Development Goals, especially SDG 1 – End Poverty and SDG 16 – Peace, Justice and Strong Institutions

The Coordinated Audit established as criteria:

• the timeframe of the audited programs (January 1 to December 31, 2020)

• the preparation by the governments to deal with emergencies, such as the creation of inter-institutional bodies or committees that is activated in emergencies that can develop mitigation policies

• the establishment of criteria for the selection of beneficiaries, with a special focus on gender and non-discrimination

The Coordinated Audit was planned with special attention to generatelearning, both for SAIs and for governments and civil society. The preparation process of the Audit contributed to strengthening the technical capacities of the audit teams, who participated in virtual seminars about the audit's central theme, the performance audit model, citizen participation and accountability, gender equality, communication and dissemination of results. The audit team participated in workshops held by relevant actors, including the United Nations Office on Drugs and Crime (UNODC) and the INTOSAI Development Initiative (IDI).

The auditors involved participated in the Massive Open Online Course (MOOC) on Performance Auditing, developed by the OLACEFS Capacity Building Committee (CCC), and were able to raise awareness and broaden their knowledge with the online pilot course "Introduction to Gender Equality and Non-Discrimination," developed by the OLACEFS Working Group on Gender and Non-Discrimination (GTG). In addition to the training actions, the planning stage of the Audit had the support of experts to review the planning matrix built by the SAI of Ecuador.

The consolidation workshop of the Coordinated Audit was held in October of 2022. This event gathered the auditors of the participating SAIs, who shared their experiences in executing the audit in their countries. In addition, to working on an effective communication strategy for the recommendations, generated by the audit exercise.

It is expected that the recommendations included in the final report of the Coordinated Audit, could be implemented by the governments and that the learning generated with this work, could contribute to strengthening public governance, especially in emergencies.

Due to its coordinated action among countries, it will be possible to generate an integrated index that will make possible to know, on a regional basis, the degree of compliance with efficiency and effectiveness in the management of socioeconomic assistance programs. Regional good practices will also be identified. Results obtained, and the tools and methods applied for the analysis, will be able to contribute to the analyses and studies carried out by international organizations about socio-economic assistance in the context of the COVID-19 pandemic. ∎

*"Coordinated audits are ideal opportunities for SAIs to comply with INTOSAI's fundamental principle: mutual experience benefits us all. In addition, the flexible mandate of the coordinated audits facilitates the elaboration of clear reports that present sufficient and relevant evidence. Coordinated audits will continue to evolve, with the support from the leadership of OLACEFS and the international organizations that supports them, such as the IDB, GIZ and the World Bank."*

**José Oyola** , international project management consultant to the World Bank

## LINKS

Conceptual note: Coordinated audit on socioeconomic aid programs that countries in the region have implemented in the framework of the COVID-19 pandemic

Presentation video for the Coordinated Audit

Promotion of

# GENDER EQUALITY

and non-discrimination in **OLACEFS**: COVID-19 impact survey, Policy on Gender Equality and Non-Discrimination, and Introductory course on the topic

**Working Group on Gender Equality and Non-Discrimination (GTG)**

5 GENDER EQUALITY

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Leave no one behind. This is the premise underpinning the global agreement for sustainable development. Since the onset of the COVID-19 pandemic, this premise has become even more important. The pandemic has generated profound social and economic shock and has further exposed the inequalities and challenges that women experience with respect to health, paid and unpaid work, security and social protection.

Globally, the pandemic has led to an economic recession that is impacting progress towards poverty reduction. Women have been particularly affected by loss of livelihoods, unpaid care overload, gender-based violence in private and public life, including digital violence. This whole context of increasing vulnerability has brought negative repercussions on women's mental and physical health.

In this context, the OLACEFS Working Group on Gender Equality and Non-Discrimination (GTG) undertook the task of diagnosing the impact of the COVID-19 pandemic among the staff, comprising the SAIs members of OLACEFS, particularly women, considering an intersectional approach.

To prepare the diagnosis, two "Surveys on the impact of the COVID-19 pandemic on the staff of SAIs members of OLACEFS" were carried out. The first one was launched in 2021 and had the participation of 5,456 people who work in SAIs across 20 of the regional countries. Among the individuals surveyed, 55.7% identified themselves with the female gender and 44.1% with the male gender.

This research identified that the COVID-19 pandemic increased the domestic workload for both men and women working at SAIs of OLACEFS, although the increase was even more evident for women.

In addition, the survey found that the total working time (paid and/or unpaid) is higher for women than for men, as they work an average of 15.3 hours per day compared to 13.7 hours for men.

Subsequently, in 2022, the second Survey was carried out, in order to follow up on some data collected in its first edition and had the participation of 6,514 employees from 18 SAIs in the region.

The investigation yielded results of great relevance for OLACEFS. Of all workers who responded to the instrument, it was observed that 70.9% have already returned in their entirety to the offices of their institution, 20.8% still have a hybrid modality and only 8.2% are currently teleworking. In these last two cases, people indicated that 24.4% do not have a quiet, comfortable and noise-free space to work. Likewise, two years after the pandemic, only 37.6% of the people who answered the survey mentioned that they had managed to reconcile their work and personal lives.

The results of both diagnoses are available on the GTG website and will be used to prepare the GTG strategy to strengthen institutional responses of SAIs to the crisis.

**Leave no one behind implies that, by removing the structural barriers that undermine gender equality, discriminate based on sexual orientation, gender identity, race/ethnicity, disability, and promote the participation of women and other groups in decisions that affect their lives, it is possible to eradicate poverty and inequality, build resilience to disasters, climate change and conflict, and promote sustainable development.**

*"Equality between the genders is a commandment of our Constitution, which reflects a current need of our people, since there is still a lot of normalized discrimination in everyday life. I see external control with enormous potential to induce progress in achieving that constitutional guideline. A step in this direction is to consider, in the evaluation of public policies, whether in fact there are mechanisms that contribute to the reduction of inequalities. Another important point is the internal commitment of the TCU with the reduction of gender inequality, which has been present in various actions, such as the recent increase in women in leadership positions and the campaign to combat harassment in the workplace. By changing our home we can reverberate good practices for the whole of society."*

**Minister Ana Arraes**, President of the Federal Court of Accounts of Brazil 2021 – 2022

# Policy on Gender Equality and Non-Discrimination

The surveys brought inputs for the formulation of the Gender and Non-Discrimination Policy of OLACEFS, in addition to the already existing inputs on the subject that OLACEFS had been working since 2012, in the meeting "Gender and Transparency in Supreme Audit." The meeting contributed to the Declaration of Santo Domingo, which reaffirms the willingness of SAIs to apply gender policies in their internal activities and audit work.

The commitment was strengthened with the Declaration of Cusco, in 2014, which sought the mainstreaming of the gender approach in supreme audit. In addition, in 2014 and 2015, two coordinated audits were conducted observing the issue and the implementation of SDG 5 – Gender Equity.

In 2019, a survey was conducted at OLACEFS on the perception of Gender Equality in SAIs. The survey prompted the creation of the GTG, whose main mission is to develop the gender policy as an instrument to guide the institutional action of OLACEFS as well as SAIs.

These inputs and the results of the 2021 and 2022 surveys previously exposed, gave rise to the formulation of the Policy, which was elaborated collaboratively and collectively by the SAI members of the GTG. The Policy is composed of 103 recommendations: 92 of them addressing SAIs and 11 addressing the institutional actions of OLACEFS. Among the recommendations, we can find the creating of a permanent statistics observatory with a gender perspective, awareness-raising within OLACEFS and the SAIs for the use of inclusive language, carrying out awareness-raising campaigns on violence in all its modalities, promoting practices in terms of audits with a focus on gender, diversity and inclusion, among others.

The Gender Equality and Non-Discrimination Policy was approved by the OLACEFS General Assembly in September 2021. As an institutional planning instrument, it aims to guide OLACEFS and SAIs on the principles that should guide their actions on these issues, as well as to support the definition of actions and identify and materialize opportunities for improvement in their practices.

The Policy is accompanied by a Guide, which supports SAIs in the implementation process. For each recommendation, examples, evaluation resources and indicators are presented to support their evaluation and monitorings.

## Online Introductory Course on Gender Equality and Non-Discrimination

Three main reasons prompted the construction of an online course on gender for professionals working in the SAIs of OLACEFS. The first is a strategic reason, as the institution is committed to integrating the topic into its activities and audit practice. The course was also motivated by the results of the surveys conducted by the GTG, which indicated the need for training on the subject for them to have a deeper understanding of the issues involved, terms and perspectives on gender. In addition, the training promotes capacity building, raises awareness and helps to transform the organizational culture.

The course was developed based on the GTG's diagnosis and consists of 12 hours of activities. The first edition in pilot version was attended by 70 people and is available on the CGR of Chile training platform. It was also used in the preparation of the Coordinated Audit on Socioeconomic Assistance Programs implemented by the regional countries in the context of the COVID-19 pandemic.

The Course promotes good practices and knowledge sharing among SAIs, moving towards strengthening the scope of the 2030 Agenda.

After the important advances in gender matters registered by OLACEFS, GIZ continues to support the GTG by providing technical advice in the planning, development and execution of the following initiatives:

- Coordinated Audit on Gender Violence: State response in the prevention, punishment and eradication of violence against women
- Training plan "Learn to mainstream: the gender approach in the SAIs of OLACEFS"
- Gender, Inclusion and Diversity Observatory (GID)

More information on these initiatives is available at https://olacefs.com/gtg/

**In times of crisis, when resources are limited and institutional capacity is limited, women and girls face disproportionate impacts with far-reaching consequences that are only amplified in contexts of fragility, conflict and emergencies. Advances in women's rights, for which so much has been fought, are also threatened. The response to the pandemic is not only to redress old inequalities, but also to build a resilient world in the interest of all, with women at the center of recovery.**

> *"By incorporating the gender perspective within SAIs and in our audit work, we contribute to eradicate practices of a cultural model that hinders the full development and fundamental rights of women. Articulating positive action measures to achieve gender equality and empower all women and girls, will contribute significantly to the implementation of the 2030 Agenda."*
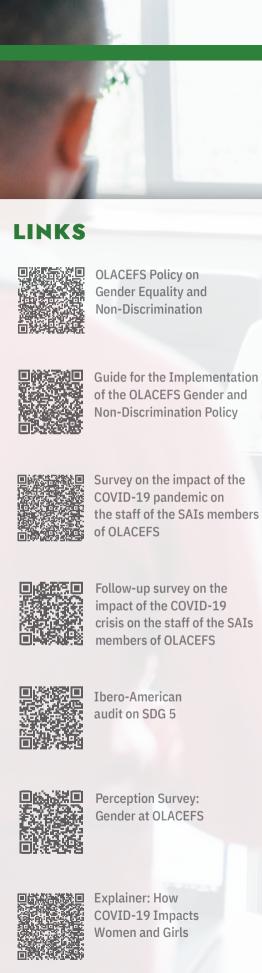
**María Graciela de la Rosa**,
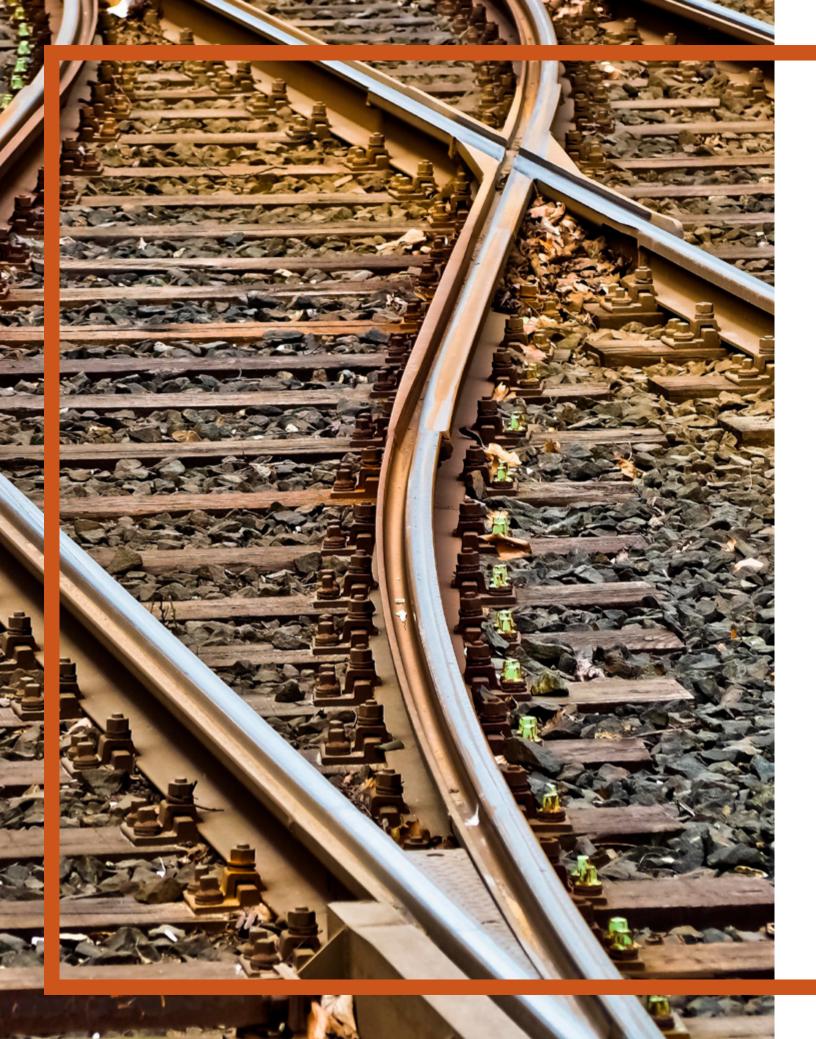General Auditor of the Argentine Nation

## Axes that govern the Gender Policy and Non-Discrimination of OLACEFS

**I.** Ethical culture

**II.** Organizational culture

**III.** People Management

**IV.** Sexual and/or workplace harassment

**V.** Inclusion

**VI.** Audit features

Currently, there are 14 SAIs from OLACEFS who are in the process of carrying out an institutional diagnosis that will allow them to have a benchmarking to start with the gradual implementation of the Gender Policy.

OLACEFS is committed to mainstreaming the gender and diversity approach, integrating it into all the institution's actions and strengthening the gender agenda in the action of external control. ∎

## LINKS

OLACEFS Policy on Gender Equality and Non-Discrimination

Guide for the Implementation of the OLACEFS Gender and Non-Discrimination Policy

Survey on the impact of the COVID-19 pandemic on the staff of the SAIs members of OLACEFS

Follow-up survey on the impact of the COVID-19 crisis on the staff of the SAIs members of OLACEFS

Ibero-American audit on SDG 5

Perception Survey: Gender at OLACEFS

Explainer: How COVID-19 Impacts Women and Girls

# FEASIBILITY IN FOCUS

**Extraordinary Secretariat of Special Operations in Infrastructure (SeinfraOperações) - Federal Court of Accounts of Brazil (TCU)**

**10** REDUCED INEQUALITIES

**16** PEACE, JUSTICE AND STRONG INSTITUTIONS

Feasibility is an essential factor for infrastructure works in general. In the case of megaprojects, which often demand significant budgets and have high impact on communities and the environment, feasibility becomes an even more relevant factor.

Infrastructure investments must respond to the needs of the population and be executed based on a program of activities that provides effective solutions to these needs. The feasibility analysis should begin with the adequacy of the proposal to the social demand, going beyond the analysis of the work itself. Poorly evaluated projects and decisions that are not grounded are more susceptible to corruption risks and the misallocation of public resources.

Government decisions supported by low-quality studies, over-optimism, inadequate references, and data misrepresentation, often result in unfinished projects, abandoned and underutilized structures, high socio-environmental impact and low returns for the population.
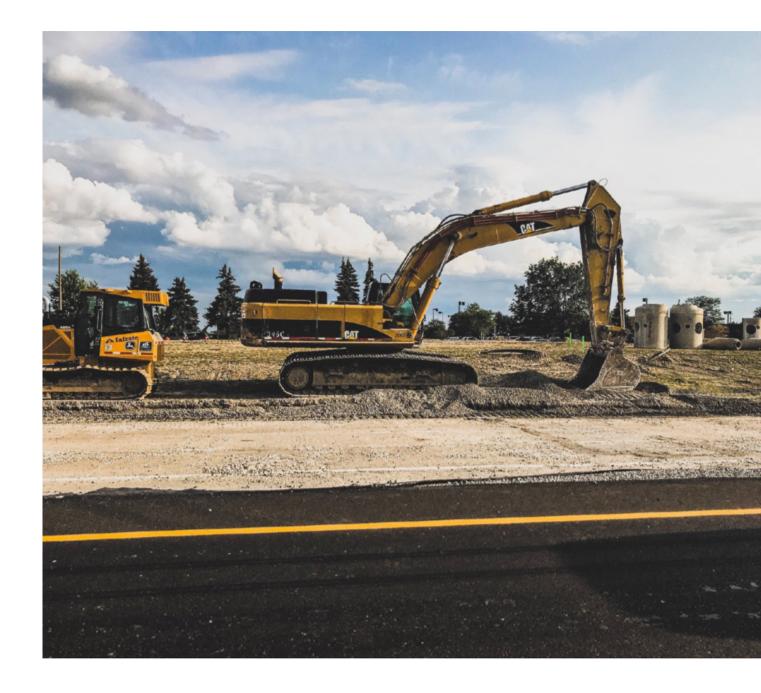
External control has a fundamental role in assessing and monitoring the performance and regularity of public investments in infrastructure. However, Brazil does not yet have a robust and standardized procedure for evaluating and auditing the feasibility of infrastructure megaprojects.

Motivated to develop an evaluation methodology, the Extraordinary Secretariat of Special Operations in Infrastructure of the Federal Court of Accounts (TCU – Brazil), with the support in its regional dissemination from the Workin Group for Public Works Audit (GTOP) of the OLACEFS, has been working on the design of standardized tools for auditing and monitoring the technical, economic and environmental feasibility of infrastructure programs and projects.

A training course was held that addressed various aspects related to feasibility evaluations of infrastructure megaprojects in different sectors, the main failures verified in feasibility studies, the root causes of the



*"Effectiveness is related to promoting transformation. In infrastructure projects, especially large ones, the cost of construction and the cost of operation and maintenance must not overwhelm society. The effective benefit of the projects must be expanded and social control over public administration allowed.*

**Rafael di Bello**, Secretary of Special Operations in Infrastructure of the Federal Court of Accounts of Brazil (TCU)

problems, and tools that can be used to improve project performance. For this capacity-building process, a study and benchmarking were developed by expert consultants. The knowledge generated was shared through an online seminar and a training course offered to SAIs in Latin America and the Caribbean.

The study, "Large infrastructure projects and the risk of corruption and economic unfeasibility: an exploratory analysis," analyzes the views and misrepresentations in the execution of mega-projects, measures to mitigate the risk of economic losses, and addresses the importance of IT models for auditing projects on this topic.
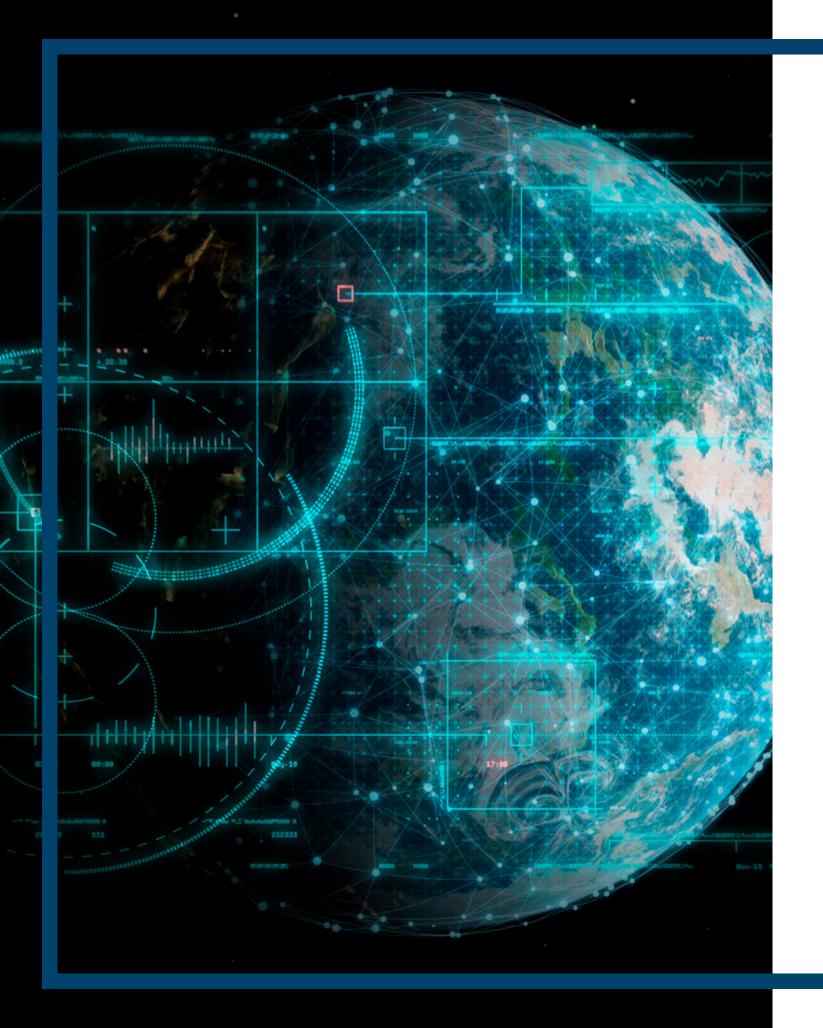
*"The Five Case Model (5CM) adds value to the governance of megaprojects by providing clarity, tools and support to procuring authorities throughout the whole project lifecycle. The 5 Case Model framework defines the core requirements that all major projects need to meet in order to proceed to the next stage of the project life cycle, and provides Government infrastructure professionals with supportive guidance, standard tools, technical notes and templates to plan, prepare, appraise, approve, deliver and manage programmes and projects.*

*By using the 5 Case Model approach, procuring authorities ensure that project proposals are supported by a robust case for change, optimise value for money, and are commercially viable, financially affordable and operationally deliverable. In sum, the 5 Case Model is an easy to adopt and adapt end-to-end framework that can help reduce transaction costs, speed up and improve project delivery, mainstream social and environmental considerations, and increase the transparency and consistency of any infrastructure governance system."*

**Javier Encinas**, Project Manager at the UK Department for International Infrastructure

The report pointed out different measures that can be taken to mitigate the risk of corruption and unfeasibility of infrastructure megaprojects, involving legal requirements and the structuring of the decision-making process, with special attention to economic feasibility studies. The study points out the relevance of using some approaches that improve the decision-making process with the definition of objective criteria for the approval of projects, such as the *Front-end-loading* (FEL), *Reference Class Forecasting,* and *Five Case Model* methods. ■

## LINKS

Online seminar "Feasibility in Focus: How to improve the performance of Infrastructure Megaprojects"

Report on Major Infrastructure Works and the Risk of Corruption and Economic Infeasibility: An Exploratory Analysis

International Benchmarking

Online seminar 'Decision-making in infrastructure megaprojects'

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# SAI ITMA

## Supreme Audit Institutions Information Technology Maturity Assessment

**Capacity Building Committee (CCC)**

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

*"The application of the SAI ITMA instrument allows SAIs to have a powerful diagnosis, capable of supporting the construction of a long-term vision, collaborating to increase the quality of strategic decisions and strengthen the SAIs that use it. SDG 16 — Peace , Justice and Solid Institutions is the basis for the construction of this instrument."*

**Rafael Beltrán**, geotechnology consultant and university professor

Digital transformation is an ongoing process in all Supreme Audit Institutions (SAIs), in line with the digitalization of governments and public service provision processes. The use of information technology can improve data analysis and contribute to increasing the effectiveness of external control.

With the challenges posed by the COVID-19 pandemic, digitalization and the use of Information and Communication Technologies (ICT) have become even more relevant to external financial control, especially at the time of rapid emergency actions taken by governments to deal with the effects of the pandemic.

**The Moscow Declaration (2019), released during the *International Congress of Supreme Audit Institutions* (INCOSAI), urges SAIs to make better use of data analysis in audits, develop analytical data skills and introduce new techniques in public audit practice. The SAI ITMA tool, developed by GIZ and OLACEFS, is a response to the global call for institutions.**

In addition to investing in IT infrastructure to carry out data management efficiently, there is need for an ongoing cultural and behavioral transformation, which requires capacity building and incentives to work in partnership with professionals in the area of information technology.

To create solutions to this challenge, the OLACEFS Capacity Building Committee (CCC) joined forces with the German Development Cooperation to work with an instrument which assesses the degree of maturity in the use of Information and Communication Technologies by SAIs.

The *Supreme Audit Institutions Information Technology Maturity Assessment* (SAI ITMA) is an assessment tool that reports on the state of the SAI's institutional capacities related to Information Systems (including the geographic dimension), as well as to call attention to those strategic, technical, budgetary, and human resources aspects.

The maturity assessment allows SAIs to gain an in-depth understanding of the areas in which they are already performing well and those that are still challenging. Following this assessment, which generates a 'snapshot of the moment' each SAI can identify its priorities and build an action plan suited to its particularities.

Considering the results of the assessment, each SAI can choose to develop its maturity in specific pillars, among the five pillars in which it´s based.

The application of the SAI ITMA tool can be done in three formats: by the internal team of each SAI, peer-to-peer, or with the facilitation of an external consultancy. The SAI ITMA kit of materials which supports the measurement of a SAI's level in the use of ICT is used during the entire process. It consists of the SAI ITMA Manual, User's Guide, Assessment Tool, Questions of all Pillars, Executive Summary and Report Template.

The requirements of the maturity level in the use of ICT are derived from authorized sources and recognized frameworks in the worldwide community of SAIs (INTOSAI), as well as external benchmarks. It contributes to the achievement of the Sustainable Development Goals, especially Goal 16 – Peace, Justice, and Strong Institutions – and Goal 17 – Partnerships to Achieve the Goals.

## The Five Pillars of SAI ITMA Self-Assessment

1. **Institutional requirements:** fundamental requirements that support the institutional capacity of the SAI on Information Systems.

2. **Inputs:** analysis of material resources, equipment, and human capital for work in information systems

3. **Processes:** organization and management plans, customer service, and risk management

4. **Outputs:** publication and reporting, system and information security, audit requirements

5. **Quality and optimization:** quality control systems of the processes and products of the information system, performance monitoring, legal, regulatory and contractual requirements, as well as risk management.

*"The challenge of digital transformation involves thinking about how to integrate innovative technologies. SAI ITMA offers this integrated vision and collaborates to improve the performance of SAIs through technology."*

**Abimael Cereda**, consultant in geoprocessing and territorial digital transformation

The development of SAI ITMA started in 2019 by the German Development Cooperation (GIZ) and its first version was reviewed and commented by the INTOSAI Development Initiative (IDI), and the Information Technology Working Group (ITWG) of the European Organization of Supreme Audit Institutions (EUROSAI). The regional project "Strengthening of External Control in the Environmental Area" in partnership with OLACEFS and its working group on Geotechnologies, promoted the update of the tool with the use and application of geo-technology aspects. In 2020 the first applications were carried out: the SAI of Colombia applied a pilot, the SAI of Chile applied a second revised version with the inclusion of geo-technology and the SAI of Guatemala launched a third pilot, using a more improved version of the tool. More recently, SAI ITMA rollouts were conducted in Malawi and Mozambique by SAI members of AFROSAI-E. The SAI ITMA implementation in Sub-Saharan countries generated further evidence on the benefits the tool provides to the SAIs, regional network and development partners.

To achieve a greater dissemination of the instrument, the Capacity Building Committee conducted a regional workshop for the dissemination of the tool, which was made available to OLACEFS SAIs. ∎

## LINKS

Assessment of the use of Information Technologies in SAIs: facilitating organizational transformation through the use of the SAI ITMA tool

# Role of SAIs in the
## Prevention and/or Mitigation of

# TRAFFICKING
# FAUNA AND FLORA

**Specialized Technical Commission on Combating Transnational Corruption (CTCT)**

Illegal extraction of species generates a negative impact on the biodiversity of countries and on the economy of communities that sustainably use these assets for their survival. In addition, species trafficking also increases the risk of zoonotic diseases.

While there is a global commitment to the protection of marine and terrestrial life (SDGs 14 and 15), international reports point to critical levels of biodiversity loss.

The external control of environmental governance has been strengthened in the Latin American and Caribbean region, with particular emphasis on the work carried out by the Special Technical Commission for the Environment (COMTEMA) of OLACEFS. However, the link between environmental crime and corruption has not yet been analyzed or highlighted. Analyzing this gap is a key point to enhance the audit work of SAIs and improve their impact on the lives of citizens, in which healthy coexistence with the environment is essential.

With this background, the OLACEFS Technical Commission for the Fight Against Transnational Corruption (CTCT), focused part of its activities on developing a line of research about the role of SAIs in preventing corruption, linked to species trafficking in the region. To this end, it mapped initiatives that are being carried out within OLACEFS and the International Organization of Supreme Audit Institutions (INTOSAI) related to conservation area issues.

The first step was to carry out a diagnosis to understand the depth and characteristics of the illegal trade in species, analyzing the potential contribution of SAIs in the matter. This research resulted in the publication: "Trafficking in species as a paradigmatic case of transnational corruption: potential contributions from external control". This study supports the importance of implementing a multisectoral and regional approach that allows effective collaboration of the SAIs with relevant actors and interested parties to enhance the control of the use of environmental assets, with the objective of reducing the incidence of corruption and closing spaces for illegal actions.

The research highlights the importance of synergistic and articulated action between government and non-government institutions, internal control, the relevance of carrying out performance audits and the contribution of technology.

*"The Supreme Audit Institutions contribute to the fight against transnational corruption through the development and implementation of tools that strengthen state and social control. Within the scope of the WGTC, a line of research was promoted on the link between corruption and wildlife trafficking, confirming that SAIs have a fundamental role in preventing corruption in this area."*

**Ing. Carlos Riofrío González**, Comptroller General of the State of Ecuador and leader of the Task Force for the Prevention of Corruption in the Traffic of Species of the CTCT
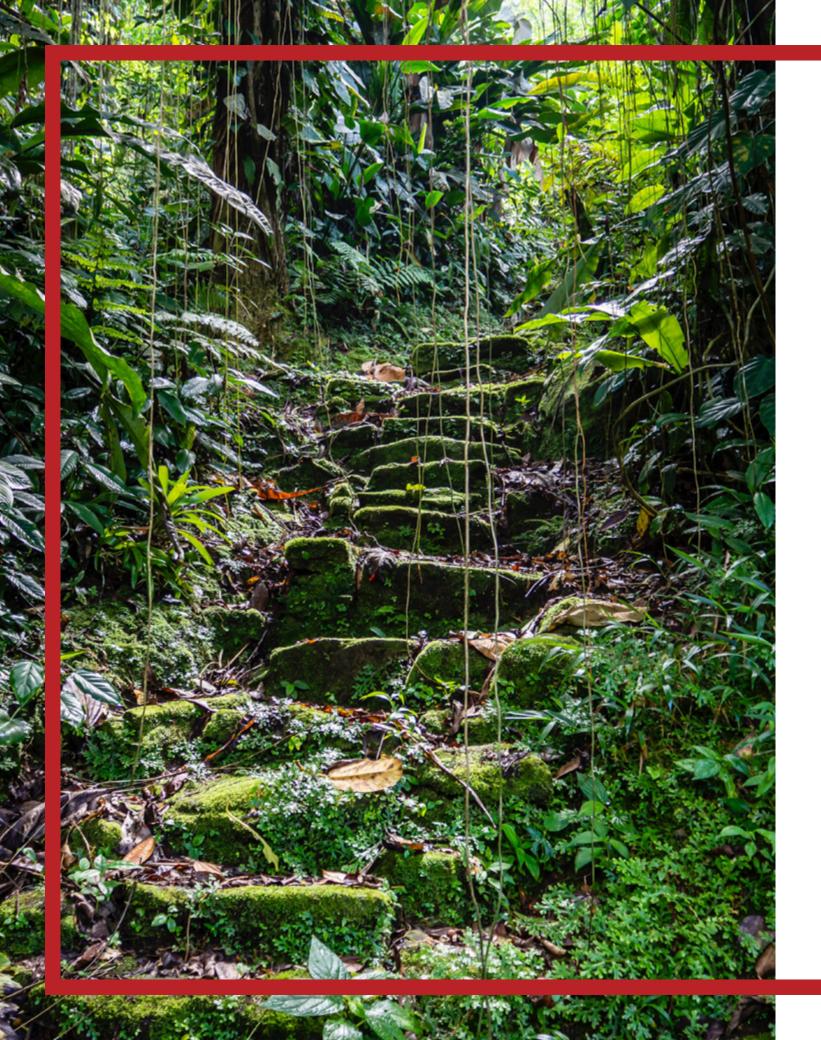
The study also revealed vulnerabilities in the species' trade control systems. There are operational and budgetary challenges to implementing effective controls, carried out by the activity's control bodies, in addition to the need for technical training to identify the species that may or may not be traded.

It was also possible to map the administrative gaps, the processes and transnational actors involved in the prevention and reduction of this crime, generating a set of methodological tools for the prevention of corruption.

Following up on the studies, the CTCT held a virtual workshop in March 2022, entitled "Prevention of Corruption in Wildlife Trafficking through the use of government control." Nine SAI members of the Commission participated and discussed the importance of recognizing and applying controls to mitigate the illegal trade of species.

Following the good results obtained so far, and by virtue of the interest of the SAIs in continuing to work on the subject, the CTCT created a Task Force for preventing corruption in the illicit trafficking of species, to develop an action plan for the implementation of measures that allow SAIs to contribute, within their framework, to the prevention of crimes against wild flora and fauna. GIZ will continue to offer technical support to the CTCT on this important issue. ∎

Subsequently, an investigation was carried out on the susceptibility of corruption in processes of legal export of species; based on a case study on shark trafficking in Ecuador, a signatory country of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), where shark fishing is prohibited.

In fact, it was verified that there were opportunities throughout the process where different types of fraud could be generated. For example, in Ecuador, shark fishing is prohibited, but if it occurs incidentally, the animal can be traded. The study identified a disguised form of by-catch with the intention of exporting fins and other parts of economic interest.

## LINKS

Species trafficking as a paradigmatic case of transnational corruption: potential contributions from governmental external control (ESP)

Project video

Methodological Tools for the Governmental External Control of the Legal Export of Species of Wild Fauna and Flora, with a Focus on the Prevention of Transnational Corruption (ENG)

Workshop on the results of the CTCT study

# Support for Strengthening of the

# COMTEMA

## Special Technical Commission for the Environment (COMTEMA)

*"Strengthening capacities of the members of COMTEMA is totally related to the best performance of their attributions. The trainings raise the quality of the work of the control bodies, aligning themselves with international parameters. With measures to strengthen capacities and by sharing knowledge, we form a common language, create a data consolidation framework, we level our knowledge and bring participants closer to work. The better the performance of SAIs, the greater the gains for society in external control of public governance."*

**Hugo Chudyson**, secretary in the Agro Environmental External Control Secretariat of the Federal Court of Accounts of Brazil (TCU) and leader of COMTEMA

High capacity and qualification are fundamental conditions for the execution and evolution of the work of SAIs. Strengthening them both at the individual and institutional level is a continuous movement of OLACEFS.

In line with this principle, the OLACEFS Special Technical Commission for the Environment (COMTEMA) foresaw in its strategic planning for studies and processes to share knowledge in environmental accounting and climate finance. In addition, it provided the training of auditors in the use of the UN Biodiversity Lab platform as a support tool in regional audits.

Environmental accounting is an important instrument that contributes to the achievement of the objectives of the 2030 Agenda and other UN conventions in environment and biodiversity. It allows calculating the negative and positive impacts of public policies and economic sectors on nature conservation and ecosystem services, accounting for natural assets and showing their benefits for society and the economy. It can also provide consistent statistics and support decision-making by governments and institutions.

To strengthen environmental accounting in the region, the World Conservation Monitoring Centre (WCMC-UNEP) in partnership with COMTEMA, under the coordination of the United Nations Environment Programme (UNEP), conducted a study on the subject and published the "Environmental Accounting Report."

The Coordinated Audit in Protected Areas, carried out between 2019 and 2020, which formed the basis of the study, found that, in general, the participating countries have initiatives, pilot projects or systems in place that are partially or fully operational for environmental and economic accountability. However, they are still in the early stages and there is a need to make progress in this area.

The Report was presented at an online seminar that addressed the concepts and methodologies associated with the topic and presented the results from the Latin American and Caribbean region. The seminar also addressed the use of environmental accounting in the planning, implementation, monitoring and evaluation of public policies, as well as its potential for use for audits in biodiversity and environment issues.

Climate finance is another strategic theme for COMTEMA, which collaborated, through the Federal Court of Accounts (TCU - Brazil), with the report "Public Policies and Climate Financing in Brazil: Study of Subsidies for SAIs on Climate Action Financing."

The publication was produced by UNEP, within the scope of the Project for Strengthening External Control in the Environmental Area. The objective of the study was to map and analyze the funding sources of climate change mitigation and adaptation actions in Brazil to subsidize the performance of Supreme Audit Institutions (SAIs) in their work of auditing and evaluating public policies.

In the dimension of external control, knowing the ecosystem and the actors of climate financing contributes to the planning of environmental audits carried out within the external control of public governance in this matter.

## Training for the use of the UN Biodiversity Lab Platform

One of the main inputs for doing a good job is having qualified information. In order to expand access to and the good use of data contributing to external environmental control, COMTEMA provided training on the Biodiversity Lab Platform to the member SAIs of the Commission.

The UN Biodiversity Lab (UNBL) is a platform that provides access to global spatial data to generate information and impact for conservation and sustainable development. The platform has three strands: democratizing access to spatial data and analytical tools as a global public good; supporting decision makers to leverage spatial data for perception, prioritization, and implementation; and empowering stakeholders to use spatial data for monitoring and reporting.

The platform is a relevant source of qualified information, and its data and maps can contribute to preparation and analysis during the execution of audits. The training provided the opportunity to create a guide for the use of the Platform, which has been published and is available to all Supreme Audit Institutions.

### LINKS

Environmental Accounting Report

Online Climate Finance Seminar

Online Environmental Accounting Seminar

UN Biodiversity Lab platform

Report on Public Policies and Climate Financing in Brazil

UN Biodiversity Lab (UNBL) Quick Guide for Supreme Audit Institutions

Mr. Nelson Eduardo Shack Yalta
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**OLACEFS Chairman**

Mr. Jorge Andrés Bermúdez Soto, PhD.
*Comptroller General of the Republic of Chile*
**OLACEFS Executive Secretary**

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## PARTICIPATING WORKING ENTITIES

Special Technical Commission on the Environment (**COMTEMA**)

Capacity Building Committee (**CCC**)

Information and Communications Technologies Commission (**CTIC**)

Citizen Participation Commission (**CPC**)

Technical Commission on Good Governance Practices (**CTPBG**)

Committee on Performance Evaluation and Performance Indicators (**CEDEIR**)

Working Group on Public Works Audits (**GTOP**)

Specialized Technical Commission on Combating Transnational Corruption (**CTCT**)

Working Group on Gender Equality and Non-Discrimination (**GTG**)

Working Group on Disaster Management Oversight in the Framework of the Sustainable Development Goals (**GTFD**)

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