

# ENVIRONMENTAL GOVERNANCE

**Regional Project for Strengthening  
External Control in the Environmental Area  
2016-2021 · Brazil**

REGIONAL PROJECT FOR STRENGTHENING  
EXTERNAL CONTROL IN THE ENVIRONMENTAL AREA

C O N T E N T S

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# EDITORIAL



In this edition of the magazine, we present the most important results of various works developed by the Federal Court of Accounts (TCU) in alliance with the Latin American and Caribbean Organization of Supreme Audit Institutions (OLACEFS) in the environmental area.

All these works have had the support of the German Cooperation Agency for Sustainable Development (through the Deutsche Gesellschaft für Internationale Zusammenarbeit - GIZ - GmbH), within the scope of the regional Project Strengthening External Control in the Environmental Area. The technical cooperation agreement between the TCU and GIZ was effective from October 2016 to April 2021 and was the result of the trust placed by the Federal Ministry for Economic Cooperation and Development of Ger-

many (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung - BMZ) in our capacity and competence.

In these years of joint actions with the other Supreme Audit Institutions (SAIs) of OLACEFS, we have worked hard to achieve and exceed the project's objectives, especially in monitoring the implementation of the 2030 Agenda for Sustainable Development in the countries involved.

The technical alliance materialized in several successful initiatives. Coordinated audits and the use of geotechnologies, for example, have proven to be extremely effective control tools. Their dissemination through the exchange of experiences and knowledge have had important repercussions in dealing with sensitive issues for the participating countries.

However, there is much room for improvement since the institutional and technical strengthening of SAIs emerges as a fundamental element in a region marked by socioeconomic inequality and the lack of effective

public policies. In this sense, SAIs can contribute to the promotion and debate of government measures related to the fight against corruption, the protection of human rights, the mitigation of the impacts of migration processes, as well as the preparation of society for digital transformation and other issues of importance for sustainable development, such as the protection and use of natural resources and the adaptation and prevention of climate change.

Finally, on behalf of the Federal Court of Accounts, I would like to take this opportunity to thank the BMZ and GIZ for their invaluable support, which was fundamental to the genesis and success of this project. Also noteworthy is the dedication of our technical staff who, with their competence and commitment, have far exceeded the performance indices originally agreed upon with these bodies. ■

**José Mucio Monteiro Filho**  
Federal Court of Accounts  
PRESIDENT



Photo Araquém Alcântara

# EDITORIAL



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Zusammenarbeit (GIZ) GmbH

**E**nvironmental and climate protection policies require complex environmental governance structures. State action in the environmental area is implemented by public agencies and private sector actors. Conflicting objectives between economic growth, environmental protection and social development hinder effective and efficient implementation of environmental policy measures and the achievement of the Sustainable Development Goals established in the 2030 Agenda for Sustainable Development, among other international commitments.

Environmental governance is based on good management of public financial resources applied to the sector, which is one of the objects of the evaluation of Supreme Audit Institutions (SAIs). In Brazil, this is the responsibility of the Federal Court of Accounts (TCU-Brazil). In Latin America and the Caribbean, the SAI of Brazil and the other 21 SAIs that make up the Latin American and Caribbean Organization of Supreme Audit Institutions (OLACEFS), aims to promote the exchange of knowledge and experiences



related to auditing and external control, in addition to fostering cooperative relationships and capacity building among its members.

The importance of SAIs was recognized by the General Assembly of the United Nations (UN) in Resolution A/69/228 (December, 2014) for the “promotion and encouragement of efficiency, accountability, effectiveness and transparency of public administration that favors the achievement of national development goals and priorities, as well as internationally agreed objectives.” Due to the complex governance structures in place, and the fact that environmental conservation has been increasingly important in the region, the TCU of Brazil and other OLACEFS’ members contribute to the preservation of ecosystems mainly through audits in the environmental area.

The regional Project for Strengthening External Control in the Environmental Area, established by the Brazilian-German Cooperation for Sustainable Development, implemented by the *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH*, commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ), in alliance with the TCU and OLACEFS, aims to contribute to the improvement of public administration through the improvement of external control, especially with regard to government investments in the environmental area.

The alliance operates in three areas: strengthening government audit processes, improving cooperation mechanisms between OLACEFS’ member SAIs and improving their services,

as well as strengthening internal and external communication with stakeholders in external environmental control.

The Project has a broad approach to building the capacities of SAIs, which generates a positive impact on public governance and accountability, contributes to increasing society’s confidence in their work and brings positive results and impacts for the lives of citizens.

The main results achieved allow us to confirm that the regional Project achieved objectives in its three fields of action.

It was possible to develop and/or strengthen innovative models, methodologies and instruments such as *Massive Open Online Courses* (MOOCs) in performance auditing and on the role of SAIs in achieving the SDGs, the use of geotechnologies applied to external environmental control, the Index of Improvement of Implementation and Management in Protected Areas (Indimapa), the Multidimensional Poverty Index, as well as other applications, courses and guides.

Cooperation mechanisms on environmental issues and the monitoring of the Implementation of the 2030 Agenda among OLACEFS’ member institutions were strengthened. In addition to the courses, seminars and workshops, we can highlight the support in carrying out up to six coordinated audits, as well as the implementation of a collaborative and innovative capacity building model that, in addition to the results and national guidelines, generates a regional panorama of topics relevant to environmental issues for monitoring the implementation of the SDGs.

Activities were carried out that made it possible to evaluate the contribution to public governance by monitoring and evaluating the application of recommendations from previously conducted audits. We also work to strengthen skills in communication with stakeholders, contributing to effective and differentiated communication to subsidize the impact of environmental audits.

It was a great pleasure working together with our allies. We acknowledge the efforts of the Federal Court of Accounts and all its auditors involved, and we thank them for their dedication that enabled us to generate contributions for the governance of Brazilian public policy, for regional development and, mainly, for fulfillment of the 2030 Agenda.

In this publication, which states the main activities carried out by the Project between 2016 and 2021 in conjunction with the TCU, we present the results obtained, which we are quite proud of.

We especially thank the TCU and all the professionals who work with us to make external environmental control even more relevant to the global sustainable development agenda. ■

## FIND OUT MORE

Project homepage



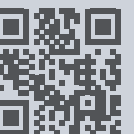
Institutional video of the Project



2030 Agenda



Convention on Biological Diversity



United Nations Framework Convention on Climate Change (UNFCCC)



Nationally Determined Contributions (NDCs)



**Jens Brüggemann**

**Biodiversity, Forests and Climate Program, GIZ in Brazil**  
**PROGRAM DIRECTOR**

**Erwin Alberto Ramírez Gutiérrez**

**Regional Project for Strengthening External Environmental Control, GIZ in Brazil**  
**PROJECT DIRECTOR**



# PRESENTATION

**M**odern states are characterized by the existence of complex systems of checks and balances that must be capable of ensuring, in short, that state actions are not co-opted by individuals or groups and that they are developed to achieve the desires of the societies comprising them.

It is in this context that the actions developed by the Supreme Audit Institutions (SAIs) are inserted, having the primary objective of ensuring the correct application of public resources, with the verification of the legality of the expenses, and the efficiency and effectiveness of the public policies implemented.

The effectiveness of Supreme Audit Institutions derives, to a large extent, from their ability to adapt to the new demands of society and from updating their guidelines to the great contemporary discussions, which are in a permanent process of transformation.

This moment presents us with the global challenge of reconciling economic growth and environmental conservation in the pursuit of sustainable development. Faced with this scenario, the United Nations has been leading and inspiring agreements and practices that seek to build responses to this challenge, such as the conclusion of the Paris Agreement in 2015, signed by 195 countries, including Brazil, with the aim of strengthening the global response to the threat of climate change.

In this circumstance, the environmental area and its social, political and economic reflections awaken the attention of external control. It is at this juncture that the project for Strengthening External Control in the Environmental Area was established, included in the technical cooperation agreement signed between the governments of Brazil and Germany, having as executors the Federal Court of Accounts (TCU-Brazil) and the *Deutsche Gesellschaft für Internationale Zusammenarbeit*

(GIZ) GmbH, also encompassing the Latin American and Caribbean Organization of Supreme Audit Institutions (OLACEFS).

The project's objectives were to strengthen the capacity of auditors to carry out audits related to the topic of sustainable development, generate innovations that make the work of external control even more effective, and better develop their communication with stakeholders, encompassing all Brazilian citizens.

This publication aims to bring a mosaic of a bit of what was done in the scope of the project. The training and specialization initiatives of our body of auditors and the implementation of resources and methodologies for disclosure and expansion of technical capacity. Many training processes, workshops, networking actions and increased synergy within the Federal Court of Accounts itself were carried out. An example of this are the *Massive Open Online Courses* (MOOCs) on the actions of SAIs related to the Sustainable Development Goals (SDGs), which we created and made available in 21 countries to more than 6 thousand auditors in three languages.

From a methodological and technological development point of view, the results were also quite positive. We seek to disclose innovation with the *Design Thinking* approach, which allowed us to add visions and generate even more systemic analyses on the objects of our work. In addition, we developed an application that uses geotechnology for audits, which allowed us to create

visual resources made up of extensive layers of information: the Index of Implementation and Management of Protected Areas (INDIMAPA).

We work in cooperation with other countries, generating regional views on contributions to the SDGs. It was an innovative initiative in the universe of global audit institutions, which received the recognition of the UN. An example of this approach was the Coordinated Audit on the Preparation of Governments to Implement the SDGs.

We thank all those who were part of this trajectory and contributed to the successful achievement of the established objectives. Directly or indirectly, those who made the successful development of the work possible were many: authorities and professionals of the Federal Court of Accounts, the project team dedicated entirely to this endeavor, and especially to the German Cooperation through GIZ and OLACEFS.

At the TCU, we always strive for excellence. Throughout the project, we apply our best efforts to achieve surprising and inspiring results. We hope that this publication reaffirms our institutional commitment to participate in overcoming the global challenges we face. ■

**Paulo Roberto Wiechers Martins**  
SECRETARY GENERAL OF EXTERNAL CONTROL • TCU



# INITIATIVES OVER VIEW

Initiatives  
carried out within  
the scope of the  
Technical  
Cooperation  
Project

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**T**he TCU-GIZ Project supported initiatives related to external governmental control in different areas of activities of the TCU, such as agriculture and the environment, health, port and rail infrastructure, electric power infrastructure, water infrastructure, communications and mining, and information and communications management. All the initiatives have addressed issues that have a direct or indirect relationship with the environmental area.

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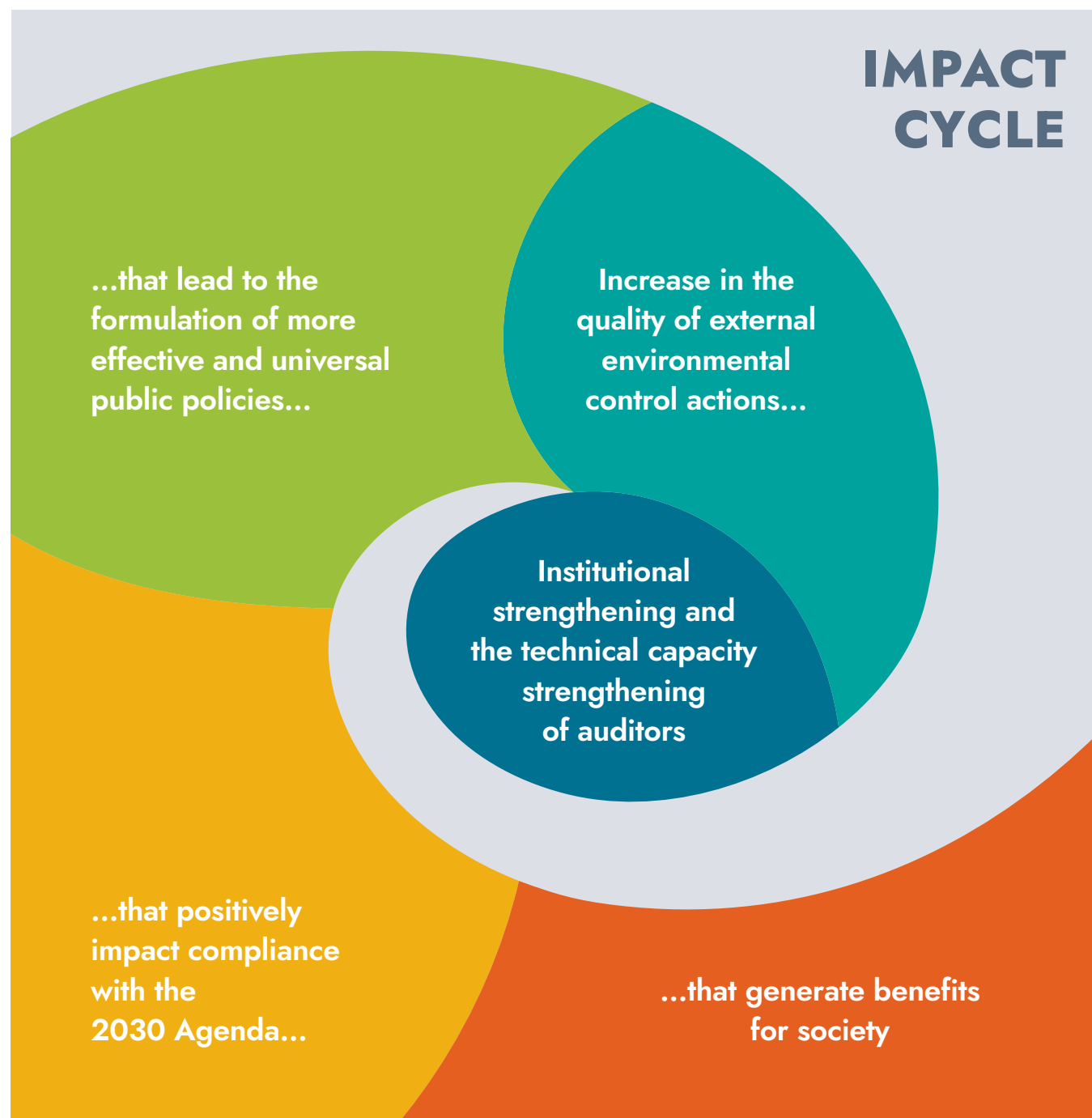
Based on the priorities for action defined between the parties, technical cooperation contributed, in particular, to the hiring of consultants and experts to support the initiatives. Under the coordination of TCU auditors, these experts worked on knowledge creation, helping to improve the technical

capacity of auditors, and for institutional strengthening. They also contributed to the development of innovative methodologies and new tools, such as *Massive Open Online Courses* (MOOCs) and geotechnologies applied to external control, innovations that will allow greater effectiveness in

the audit function. It is also worth mentioning the coordinated audits, a quintessential tool for impact learning.

The TCU has made an effort to assimilate this knowledge and new approaches to promote and modernize external control and fulfill the institutional mission of improving Public Administration. As a result, the level of debate on the audited issues has been raised and improvements have been verified in public policies related to the environmental area and the governance process.

Learn about the main initiatives of the regional Project for Strengthening External Control in the Environmental Area carried out from 2016 to 2021, within the scope of the TCU-GIZ alliance. ■



#### FIND OUT MORE



The TCU and the Sustainable Development Goals



Video about the Project

***“The project, carried out in partnership between the German Cooperation and the TCU, leaves important legacies that extend far beyond the limits of the TCU, favoring the improvement of Public Administration for the benefit of society, the mission of the Federal Court of Accounts.”***

**Maurício de Albuquerque Wanderley**, Secretary General of the TCU Presidency



# Coordinated Audit on PROTECTED AREAS

2<sup>nd</sup> Edition

## SecexAgroAmbiental

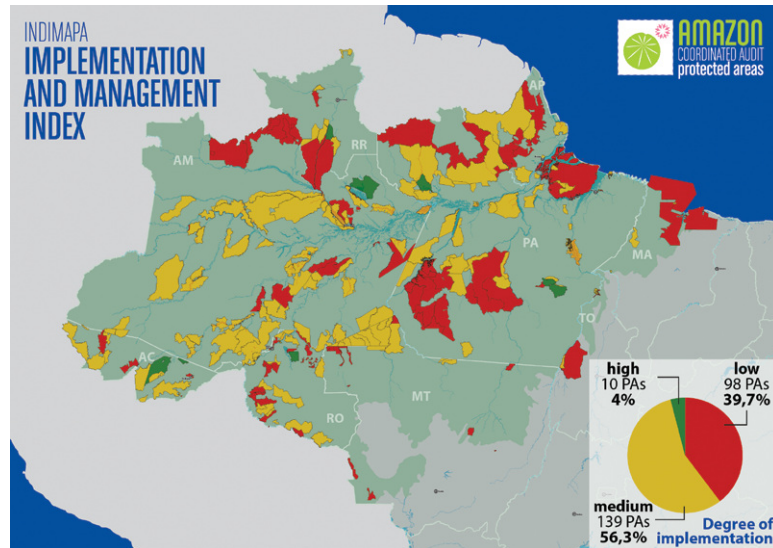
The Amazon biome is of great global importance: it has 1/3 of the world's tropical forests, 1/5 of the available fresh water, and it is the largest gene bank in the world.

To promote protection and conservation actions, Brazil instituted territories chosen based on their relevant natural characteristics to be protected in the form of Protected Areas (PAs). They represent 17% of the entire Brazilian territory in area and 80% of this total protected area is in the Amazon region.

Ensuring the effective protection of these territories is the responsibility of the public authority, which is a signatory to the United Nations Convention on Biological Diversity (CBD), whose objectives include the significant reduction in the loss of biodiversity on the planet. In addition to the obvious environmental reasons for the conservation of these territories, the PAs also represent a relevant aspect of the economic and social development of the region.







**Indimapa is a georeferenced instrument, developed by the TCU, resulting from the average of 14 indices and indicators of implementation and management of the federal PAs evaluated, from which individualized data on the management of each unit are extracted. The Index varies between 0 and 3, and the closer it is to 3, the greater the degree of application of the PAs, i.e., the more advanced it will be in relation to the achievement of its objectives.**

The Amazon has more than 350 protected areas, representing an important part of Brazil's environmental heritage. In this sense, to analyze heritage, the TCU has developed methods and tools that seek to evaluate, monitor and communicate the implementation and management of PAs through georeferenced maps. In this way, with the use of visual elements, the results of the audit are understood by any citizen, promoting transparency and social control.

Between 2013 and 2014, the TCU carried out, in alliance with the nine state Courts of Account in the Amazon region, the First Coordinated Audit on Protected Areas in the Amazon Region. The objective was to evaluate the existence of the regulatory, institutional and operational conditions necessary for the 107 federal and 140 state PAs located in the Amazon to achieve the objectives for which they were created. This audit gave rise to determinations and recommendations to the Ministry of the Environment and the Chico Mendes Institute for the Conservation of Biodiversity (ICMBio), as well as to state environmental agencies and entities.

In 2018, within the scope of the Technical Cooperation Project, a new audit was carried out to evaluate the environmental governance of the Brazilian protected areas and evaluate the progress of the implementation and management of the units after the First Coordinated Audit.

The initiative also aimed to perform a correlative analysis of the international commitments assumed by Brazil: to verify the contribution of the PAs for the fulfillment



of the 2030 Agenda (especially in relation to SDG 14 - Life below water, and 15 - Life on land) and Compliance with Aichi Biodiversity Target 11, which stipulates, among other things, that by 2020 at least 17% of terrestrial and inland water, and 10% of coastal and marine areas must be conserved, especially areas of particular importance for biodiversity and ecosystem services.

Several actions were carried out with the support of the Project within the scope of this

audit, especially those related to increasing technical capacity, technological development, dialogue with other State Courts of Account, knowledge exchange and technical strengthening of the audit process.

The online course in Portuguese "Environmental Auditing in Brazilian Protected Areas" was produced, and the development of the Massive Open Online Course (MOOC) on SAIs and SDGs was supported. The Project also translated, into Portuguese, the guide



“How to Increase the Quality and Impact of Environmental Audit”, produced by the Working Group on Environmental Auditing (WGEA) of the International Organization of Supreme Audit Institutions (INTOSAI), the organization that brings together SAIs from around the world.

The project also offered expert support for technical audit activities: support for the stages of planning (including subsidies for the construction of the audit planning), consolidation (including subsidies through a reference panel with experts to validate the audit findings, as well as to consolidate the data), and disclosure.

From a methodological and technological point of view, the initiative was supported by specialized consultancies for the review of the Methodology for the Evaluation of the Implementation and Management of Protected Areas (Indimapa), the preparation of maps and comparison of maps for statistical analysis. ■



FIND OUT MORE

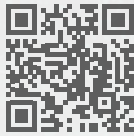
Report of the 1<sup>st</sup> Coordinated Audit



Convention on Biological Diversity



Aichi Biodiversity Targets



Aichi Biodiversity Targets • Brazilian Commitments



MOOC, the SDGs and Supreme Audit Institutions



**More than 5,000 auditors from Brazil, Latin America and Europe have already been trained using the MOOC on SDGs, which was prepared in Portuguese, Spanish and English with the support of the Project.**

TECHNICAL INFORMATION



Law that instituted the National System of Nature Protected Areas



Report of the 1<sup>st</sup> Coordinated Audit (2013)



Article • Coordinated Audit analyzes the conditions of the Amazon's Protected Areas



TCU Publication





Audit on Public Policies for the Insertion of

# RENEWABLE

Sources in the Brazilian Electricity Generation Mix

**SeinfraElétrica**



Substantially increasing the participation of renewable energy in the energy mix is one of the targets of the 2030 Agenda. Most of the world’s electricity is generated from non-renewable sources such as oil, coal, and natural gas. In Brazil, there is a different situation. More than 80% of the electrical energy generated in the country is of renewable origin, especially due to hydroelectric power plants.

Hydroelectric power plants are a source of clean energy. However, in Brazil the generation of renewable energy from unconventional sources such as wind energy, biomass, bio-gas and solar energy has grown and the potential of these sources is very high.

In this context, the objective of the audit was to evaluate public policies for the insertion of non-conventional renewable sources in the Brazilian electricity generation mix, considering the international commitments assumed in this regard and the stage of applicable public policies. These policies



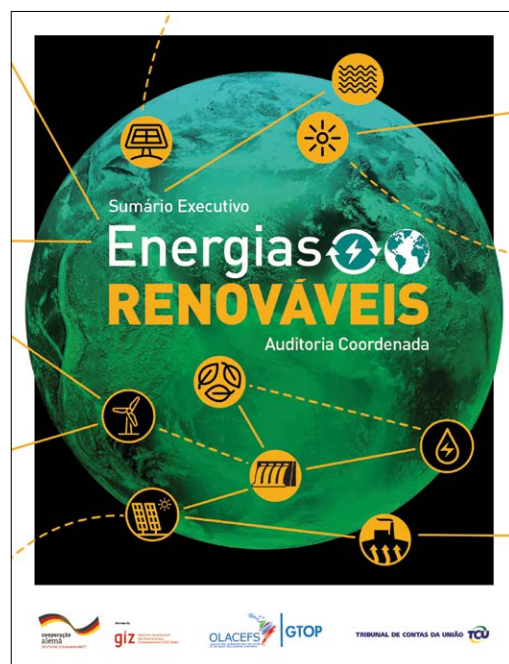
include subsidies to sources, the policy of new energy auctions, planning generation expansion, and other indirect incentives.

One of the specificities of the preparatory process for the audit was the performance of International benchmarking that verified the good practices and lessons learned in 10 countries, evaluating the governmental practices and the actions of their Supreme Audit Institutions. This approach provided specific training for the team to work on the topic.

The audit found that there is no evaluation of the results of the incentives offered to renewable sources, there are no mandatory compliance goals, and that there are no explicit guidelines on which directions the distributed mini and microgeneration should take. It was also possible to identify some contradictions between the policies and the subsidies offered. Auctions have proven to be suitable instruments for expanding

***“The project allowed the technical debates to be enriched with the establishment of international benchmarking and with the specialized training of the auditors.”***

**Arlene Nascimento**, Director of the Secretariat of Audit of Electric Power Infrastructure







renewable energy, but more objective criteria needs to be developed to define the sources that will be offered in auctions.

The audit also identified the need to improve coordination between the bodies that deal with renewable energy issues and the coherence between the different public policies related to this matter.

The recommendations made to the institutions involved at the end of the audit were well received and there is an expectation of strengthening policies to increase the presence of non-conventional renewable energy in the energy mix. Brazil will be able to advance towards an energy transition based on the digitization process and offering greater autonomy to consumers. The adaptation of public policies and a greater participation of renewable energy can also be an opportunity for the country since they allow for stamping “a green seal” on the goods produced in Brazil contributing to economic, social and environmental development. ■

**This audit was used as a subsidy for the methodological construction of the Coordinated Audit on Renewable Energy in the Electric Power Sector carried out by 12 countries of Latin America and the Caribbean, also with the support of the project.**

TECHNICAL INFORMATION



Audit Report



Ruling on the Audit in Brazil

FIND OUT MORE

Find all the information in Spanish, Portuguese and English



Supervisory Report of the Coordinated Audit on Renewable Energies



Video on Renewable Energy (Portuguese)



Video about the initiative (Portuguese, Spanish)





Photo Araquém Alcântara

# Audit on Safety Management of MULTIPURPOSE DAMS in the Brazilian Northeast

**Secex Ceará • SeinfraCom**

Water is an essential natural resource for life. In Brazil, one of the most important ways to make water available for human and animal consumption, for irrigation and for tourism is through multipurpose dams. Therefore, management of the safety of the dams, in addition to the preservation of the environment and economic development, is essential for the survival and protection of the populations and animals that live around them and depend on the reservoir.

Multipurpose dams represent 93% of the more than 24,000 dams available in the country. Although their volume is less than that of the dams for the generation of electricity and mining waste, they are incredibly important due to their quantity and their wide-spread presence in the territory.







The operation of a dam requires special attention to safety. The lack or mismanagement of public resources for the safety of dams can affect their maintenance, which creates risks for the inhabitants and the environment. Brazil has recently experienced some social and environmental tragedies due to the lack of safety in the operation of the dams. Although these were dams used for mining, a different type of reservoir from the one that was the object of this audit, the damage to the surrounding populations that were directly affected to the environment and society was very serious and highlighted the importance of this audit.

Brazil has a National Dam Safety Policy, which was instituted in 2010 with the objectives of guaranteeing safety standards and regulating these measures, monitoring and doing follow-up on safety measures, establishing compliance parameters, and promoting a culture of dam safety and risk management. Ten years later, there are still many difficulties in effectively implementing what the law requires.

The greatest obstacle to the effectiveness of the policy lies in organizing the actions of the audit agents and the companies to promote the correction of faults and non-conformities that are necessary to guarantee the structural integrity of the dams.

This audit focused on the evaluation of the National Dam Safety Policy and the safety management of multipurpose dams that are under the responsibility of the National Department of Works against Drought (DNOCS) and the São Francisco and Parnaíba River Valleys Development Company (CODEVASF).

The Audit on Safety Management of Multipurpose Dams promoted the performance of an audit on the implementation of public

It also supported the development of the risk matrix and the definition of the most appropriate inspection procedures to mitigate the causes of the identified risks. From the planning phase, the audit incorporated environmental and human rights assurance perspectives into its analysis.

The Project also supported the organization of reference panels with the support of experts to evaluate and improve the

## **The reference panels and workshops carried out with the support of the project offered technical contributions to the debates being held in the National Congress, which seek to modify the National Policy on Dam Safety (Law n° 12.334/10).**

policies in strategic sectors and developed a methodology for performance audits on the topic.

This was the first audit on dam safety in Latin America and set a point of reference for national and regional audits on the topic, becoming an international benchmark.

The Project supported the audit by providing training and technical grants to the TCU's audit teams. Multidisciplinary training was carried out on legislation, risk management, inspection methodologies, performance evaluation, international good practices, and protection of human rights.

audit report, improve the presentation of audit results, and promote synergy among stakeholders.

This increased capacity helps to broaden the audit's focus, overcome legal and compliance analysis, and achieve a more technical approach to the security issue. It also expanded the agents involved: in addition to the regulatory bodies, the process involved experts, academy, the National Congress, other ministries, and civil society. The reference panels, an important stage in the audit ritual, grew and assumed the aspect of a multi-agent workshop.



The results were disseminated at the national and international level to ministries, the Legislative Branch, regulatory agencies of the sector, courts of accounts of the states, universities, entrepreneurial organizations of the market, public associations related to human rights, as well as other public and private entities related to the issue of dams.

Recommendations to implement corrective measures were generated for the Office of the President’s Chief of Staff, the Ministry of Regional Development (MDR), the DNOCS and CODEVASF. The TCU recommended the

Ministry of Economy to restructure the budget to define measures related to the recovery and conservation of the dams. The MDR, the National Water Agency (ANA), and the water resources bodies in the states also received recommendations to increase the relevance of the issue in their strategic planning. The Ministry of Education also received recommendations at the end of the audit to develop strategies, such as specific careers, that expand the technical training of professionals that contribute to improving the structural stability of dams and stimulating a culture of risk prevention.

The deliberations will be subject to a monitoring plan to evaluate their compliance and their effectiveness in addressing the causes of the deficiencies identified by the audit. This is a fundamental step in the control measures.

All these recommendations are essential to stimulate a systemic and integrated treatment of the issue of dam safety, which means the safety of the populations near the dams, the proper use of water and the protection of the environment. ■

*“Taking into account the complexity and multidisciplinary of the issue of dam safety, the Project’s support for team training was essential and allowed us to advance on more technical issues and expand the scope of the audit and communication with the stakeholders. For the dam safety sector, the gain was very significant.”*

**Uriel de Almeida Papa,**  
Secretary of Water Infrastructure,  
Communications and Mining

TECHNICAL INFORMATION



National  
Dam Policy •  
Law 12.334/2010



Audit Report



Performance Audit on safety  
of the DNOCS and CODEVASF  
multipurpose dams

FIND OUT MORE

News about  
the audit



News on International  
Seminar on Safety of Dams  
on Senate Radio



Programming of the  
International Seminar  
on Dam Safety



Online transmission  
of the International  
Seminar on Dam Safety



News about the  
audit in G1



News about the audit  
in the Gazeta Web





# Performance Audit on Environmental SANITATION Works at Funasa

**Regional Secex Mato Grosso • SecexSaúde**



Environmental sanitation is an essential condition for the quality of the population's health and for sustainable development. The environmental sanitation deficit in Brazil is still very high and projections for the solution of this problem indicate the need to urgently and effectively deal with this issue.

In Brazil, the National Health Foundation (Funasa, for its acronym in Portuguese), a federal public body, has the mission of promoting public health and social inclusion through sanitation and environmental health actions. The institution acts on five fronts: combating endemics caused by the lack of sanitation, rural sanitation, environmental health monitoring actions, sanitation in small municipalities, and follow-up on investments of federal resources in the area of sanitation in small municipalities.

However, the institution has faced institutional challenges, which refer to its way of acting and its management capacity.





The Project supported the TCU and Funasa with the execution of two technical consultancies. The first of them worked on the production of appropriate performance indicators for municipalities with less than 50 thousand inhabitants, including the rural area. The development of indicators had the objective of collaborating with the strengthening of the institution's management and its actions. Additionally, good practices were identified in strategic planning, governance, internal control and risk management in order to contribute to the strengthening of management by Funasa executives.

66 indicators were proposed, of which, 48 were for cities with less than 50 thousand inhabi-

tants and 18 were appropriate for evaluating the institution's performance in rural areas. The indicators were organized in four dimensions (social, economic and management, environmental, and governance) and in 3 sectors (water, sewage and waste).

Funasa internally evaluated the admissibility and applicability of the proposed indicators and chose to exclude 18 of them for not having the capacity to adapt to the institution's reality.

For municipalities with less than 50 thousand inhabitants, 12 indicators were accepted for performance evaluation in the water supply service, 13 indicators for the sanitary sewage

service and 13 for the urban solid waste management service. For rural areas, 6 indicators were accepted that refer to the water supply service, 2 for sanitary sewage and 2 for solid waste management.

Analyzing the water supply service by dimensions, Funasa did not accept indicators that address the environmental dimension and left out the economic and management dimension, which is associated with water losses, a major problem for the issue of sanitation in the country. It is also possible to point out, for example, that Funasa did not accept the proposed performance indicator to evaluate the destination of urban

and evaluation of results. The establishment of a Board of Directors made up of representatives of municipalities and rural and traditional communities was suggested to bring the demands of its main public closer to management.

The process made it possible to verify that there is a strategic and governance deficiency in the Foundation's management. The actions of Funasa have been atomized and disconnected from the public sanitation policy. It was also possible to identify that the strategy of Funasa is not aligned with the SDGs and global policies of sustainable development.



## Funasa's Strategy is not entirely aligned with the SDGs and global policies for sustainable development, commitments of which Brazil is a signatory

solid waste, a commitment signed by Brazil towards the 2030 Agenda.

A second consultancy was carried out to technically support the TCU's performance in the process of analyzing the accounts of the Funasa presidency and in the audits that supported this analysis.

The consultancy concluded that Funasa should improve its management and reposition itself before its mission, reviewing the planning and technical means of control

In this sense, forums for dialogue and consensus have been promoted with Funasa, offering support in those aspects where it is necessary to increase the effectiveness of its actions: adherence to the SDGs, alternative forms of financing sanitation, compliance, integrity and results.

Three problems were identified. The decrease in the technical capacity of Funasa (which had 2,456 officials in 2018, of whom 2,246 were expected to retire by 2022) compromises the implementation of follow-up activities



in small cities and rural communities for improving sanitation conditions.

Funasa has acted more strongly as a distributor and auditor of resources, more oriented to collecting than to guiding and accompanying, staying away from its role of supporting municipal administrations in developing sanitation policies and practices.

The institution has acted in municipalities that have their own water and sewage services and have no relevant action in the localities where these services are contracted by the municipalities. As the new regulatory framework for sanitation encourages municipalities to contract the provision of these services, they have a greater need for support in planning, contracting and supervising the execution of services, which requires Funasa to resume its role of assisting and supporting municipal management.

The court issued recommendations to Funasa, establishing what the criteria would be to base its audit on, and granted a period of one year for the Foundation to adjust its strategy and actions.

**Funasa, which for two decades (1960-1970) was considered the best institution to take care of basic sanitation in a tropical country, is in danger of extinction.**

The TCU concluded, among other points, that the Foundation does not have a defined strategy to face the scenario of scarce budgetary resources and personnel. The adoption of the performance indicators was recommended, which currently only focus on the number of works, equipment or plans completed, which does not allow to affirm whether the results achieved by the institution are sufficient for the fulfillment of the goals of the Plansab and the 2030 Agenda, related to the number of households contemplated by such works.

Regarding the operational model adopted by Funasa in the implementation of the basic sanitation policy, it was verified that Funasa did not play a leading role in the implementation of the sanitation policy. Contrary to what was expected, which would be a proactive action, based on a global diagnosis of the real needs of its target public, the institution acts in response to the municipalities' requests. As for the follow-up on results, there are no standards for monitoring the results of its actions in public health.

Additionally, the evaluation concluded that the operating model of Funasa is not economically sustainable, considering that a large part of the works carried out with resources of Funasa costs less than what is necessary to spend to guarantee the institution's costs. The analyses of the TCU indicate Funasa's decrease in efficiency in resource management and its clear loss of technical and managerial capacity, which leads to question its extinction or its priority reform. ■



## TECHNICAL INFORMATION



Performance  
Audit Report

## FIND OUT MORE



Funasa  
page



Plansab



# Performance Audit on SUSTAINABILITY in the Federal Public Administration

## SecexAgroAmbiental

Brazil is a signatory to international commitments for sustainable development. The federal public administration has a fundamental role in conducting policies that induce public and private institutions to adopt practices that favor the results sought by these commitments.

In this sense, public entities must act as a reference in the rational use of resources and in the fight against waste in order to stimulate the adoption of these practices and promote a culture of sustainability throughout the country.

The main Brazilian public programs aimed at sustainability management in this area are the Environmental Agenda in Public Administration (A3P), the project Market Transformation of Energy Efficiency in Brazil (3E), the National Program of Electric Energy Conservation for Buildings (Procel Edifica), the Sustainable Esplanada Project (PES) and the Public Expenditure Efficiency Project (PEG).



There are also collegiate bodies with specific topics such as the Interministerial Commission for Sustainability in Public Administration (CISAP), the Interministerial Committee for the Social and Economic Inclusion of Recyclable Material Collectors (CIISC) and the Indicator Management Committee.

The Performance Audit on Sustainability in the Federal Public Administration sought to verify the effectiveness of the actions and policies of sustainability implemented by the federal public administration. The audit compared the degree of evolution of these actions in relation to the audit that worked with the same topic in 2011.

implementation of Sustainable Logic Management Plans, low adoption of sustainable practices in public administration procurement, little interest in the certification of public buildings in relation to energy conservation, unsatisfactory adherence to the A3P, restructuring of the committee in charge of monitoring selective collection actions and low adoption of carbon offset measures.

On the other hand, the audit verified compliance with some accessibility criteria in federal public administration buildings, compliance with good practices in the management and use of water, electricity and paper (even though there is no integrated

**The audit developed the Management Sustainability Monitoring Index (IASA). This index organizes the information in a conceptual way, communicates the result of the evaluation and creates a visual reference to present the level of government performance.**

In this sense, the audit examined the governance of public policies aimed at sustainability in the federal public administration, the actions aimed at waste management and the sustainable consumption of water, energy and paper, in addition to evaluating the use of practices of sustainability in the acquisition of goods and services.

The work pointed out operational deficiencies and regulatory failures of CISAP, poor

system for monitoring consumption or a parameter for this), and the incentive for the use of bicycles.

In addition to this, the audit created the Management Sustainability Monitoring Index (IASA) with the objective of systematically evaluating and monitoring the performance of public authority in relation to the adoption of sustainability measures. This evaluation generates a visual understand-





*“There is no doubt the Project for Strengthening External Control in the Environmental Area represented a framework positively engraved in the history of the TCU”*

**Paulo Wiechers,**  
Secretary General of External Control of the TCU

ing of the results. The evaluation is carried out from eleven thematic axes and the results are organized on a 0 to 3 scale. In the general average, the federal public administration obtained a result of 1.64, which was an intermediate evaluation.

Based on the results of the audit, the TCU presented determinations for the then Ministry of Planning, Development and Management, for CISAP, for the Ministry of the Environment and for the Government Secretariat of the Presidency of the Republic. Recommendations were also made to the Ministry of Mines and Energy.

The main determinations and recommendations were: the resumption of the activities of the Interministerial Commission for Sustainability (CISAP), the demand for the inclusion of the Sustainable Logistics Plan (PLS) in the planning of the federal

public administration institutions, the obligation to create a core of sustainability in these institutions and improvement in sustainability criteria and practices in public procurement.

The project contributed to the disclosure of the audit by supporting the preparation of the executive summary, contributing to the disclosure and communication of the work results in an accessible manner. ■



**FIND OUT MORE**

Infographic and Synthesis File



A3P



3E Project



Procel Edifica



Cisap



Ciisp



**TECHNICAL INFORMATION**

Instruction, Executive Summary and Judgment







# Multidimensional POVERTY

Index within the Framework of the  
Data Intensive Performance Assessment System (SAAD)

**SecexPrevidência**



**E**radicating poverty is the first goal of sustainable development. It is essential to promote sustainable global economic development because conflicts of objectives between economic growth, environmental protection and social development hinder the effective implementation of environmental policy measures. For this reason, the Multidimensional Poverty Index has a very large part to play in achieving the 2030 Agenda.

Poverty is much more than the definition given by a person's financial situation. In Brazil, poverty is classified based on the income level of a person or family and their condition of obtaining the necessary resources to live. It is common to use the expression "poverty line" to refer to this issue. According to the Ministry of Citizenship, a person who has a monthly per capita household income below R\$ 178 is considered poor in Brazil, and a person whose individual monthly income is less than R\$ 89 is considered extremely poor.



For several months, in the face of efforts to eradicate poverty, this issue has been dealt with from a set of dimensions that go beyond income: education (considering the illiteracy rate and schooling per home), health (considering, for example, access to vaccines), and housing conditions (considering criteria

such as access to sanitation and energy). This perspective assesses poverty multidimensionally and considers its complexity.

Seeking to generate more adequate references to evaluate public policies, the TCU launched this initiative with the objective

of developing a multidimensional poverty index, considering socio-environmental criteria and a broader vision on the issue. These indicators form a reference to support audits, developing the technical capacity to evaluate the performance of policies in the social area.

The TCU-GIZ project supported the development of the Index, which was carried out in alliance with the University of Oxford, in England, to generate technical training for the team to deal with the issue. In addition, the Index development initiative developed an Information Technology system for data analysis and processing, the Data Performance Assessment System (SAAD, for its acronym in Portuguese).

In addition to direct training of the TCU team, the initiative held the Workshop on Multidimensional Poverty Analysis, with the participation of experts from the University of Oxford, with the aim of fostering reflection and discussion on the multidimensional



***“The TCU-GIZ project, as a whole, contributes to the improvement of public administration. The formulation of the Multidimensional Poverty Index is an example. The Court created capacities to audit the implementation of policies that consider poverty, the first of the SDGs, from a broader and more innovative perspective.”***

**Fernando Luiz de Souza Eira,**  
Director at the General Secretariat of External Control



*“In the 2030 Agenda for Sustainable Development, governments are advised to adopt integrated and multisectoral policies to achieve the SDGs since, in many studies during the years of the Millennium Development Goals, the policies had more results in reducing poverty and were more cost-effective than isolated sectoral policies.”*

Sabina Alkire, OPHI WP 118

treatment of poverty as the foundation of public policies.

Officials from the Ministry of Citizenship, responsible for the “Bolsa Família” program, the main social program for overcoming poverty, which operates by direct transfer of income, participated in the Seminar. Also present were officials from Casa Civil, a body that directly advises the head of the Executive Branch and is in charge of evaluating the legislative proposals that the Presidency of the Republic sends to the Legislative Branch; officials from the Brazilian Institute of Geography and Statistics (IBGE), the main provider of data and information on the country and which subsidizes public policies; and the Institute of Applied Economic Research (IPEA, for its acronym in Portuguese), a federal public foundation linked to the Ministry of Economy, whose research activities provide technical support for the formulation of public policies.

From an auditing point of view, the adoption of the Multidimensional Poverty Index will contribute to the effectiveness of activities, depending on the identification of the pockets of poverty and the orientation of the field activities. With regard to the external control of public administration, the Index will allow a more accurate assessment of governmental policies and programs related to poverty.

The proposal of the Multidimensional Poverty Index by the TCU has stimulated reflection on the adoption of this approach for the creation of public policies. The debate is present in some public institutions and there are already bills suggesting the adoption of the multidimensional perspective.

Any contribution to environmental protection will be more effective if accompanied by contributions to social development. ■



TECHNICAL INFORMATION

Article •  
Multidimensional  
Poverty Measures as  
Relevant Policy Tools



FIND OUT MORE



Oxford Poverty  
& Human  
Development  
Initiative



Bill  
218/2019



UNDP •  
2020 Global  
Multidimensional  
Poverty Index



News from the  
National Confederation  
of Municipalities  
on the Bill



# Multicriteria Spatial Analysis (GEOCONTROL I) and Automation of Detection of Irregularity Patterns by means of Artificial Intelligence Systems (GEOCONTROL II)

**SeinfraPortoFerrovia • SGI**



Complex challenges require complex treatments. GeoControl allows us to examine the difficult issues of sustainable development in order to understand the layers, vectors and forces that constitute this challenge and to approach them from the perspective of their interrelationships.

The initiative to develop the tool called GeoControl I, related to the application of the Multicriteria Spatial Analysis methodology, aimed to investigate and generate a model capable of providing the application of geoprocessing and geotechnologies to external environmental control. The purpose of the initiative was also to develop a resource to support decision-making on infrastructure



## Geoprocessing and GIS

Geoprocessing is the field of knowledge that uses mathematical and computational techniques to deal with geographic information. Geotechnologies are a set of tools that make it possible to collect, process, analyze and make georeferenced information available. Among them are Remote Detection - which includes the use of images obtained through satellites, cameras, radars, laser sensors - and Geographic Information Systems (GIS). GISs are systems that connect geographic information to databases that contain other types of information. These systems allow complex analyses, create georeferenced databases and generate thematic maps, with several overlapping levels of information.

measures, taking into account the environmental dimension, and to collect data to verify the need to carry out an audit or not.

The purpose of the geocontrol tool is to collaborate with the Court's activity of carrying out external control of the public administration, evaluating the effectiveness of the proposed policies and verifying the correct application of resources. In the case of public works, society generally understands them based on the cost-benefit reference; however, the TCU sought to carry out this efficiency analysis in a more profound and complex manner.

In this way, the TCU has developed a multicriteria analysis model combined with

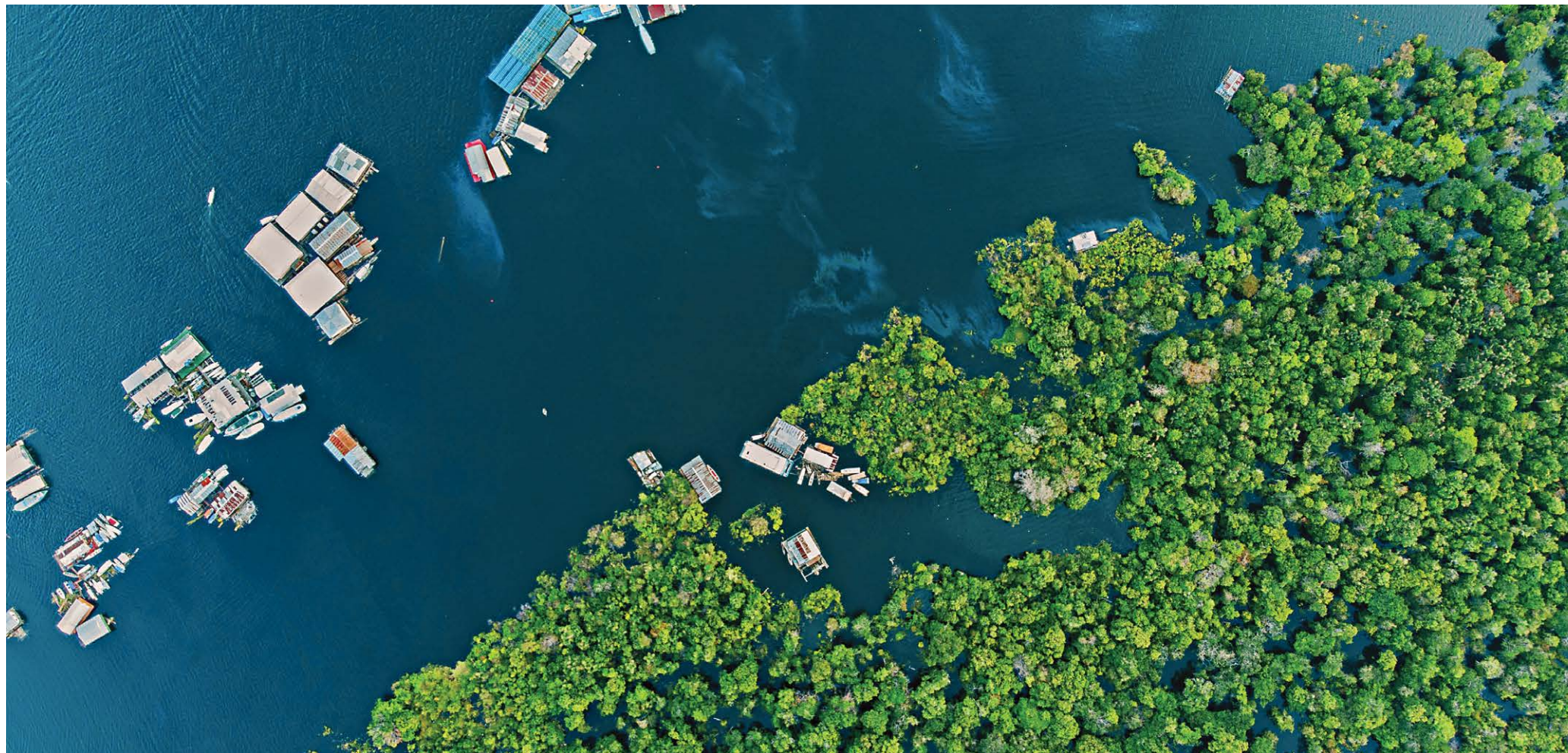
geotechnologies, multicriteria spatial analysis, which can be applied to both evaluate the planning phase of a public undertaking, and evaluate it after its execution, allowing the analysis of dimensions that go beyond the cost-benefit binomial.

This approach, developed with the support of the project, indicates the areas of greatest viability according to the criteria defined by the audit team (such as environmental or economic criteria, for example) and the positive impact for the implementation of a public infrastructure, and classifies non-viable areas. This means that it is possible to evaluate, for example, the best location for the deployment of a public team, taking into account several complex factors to choose

the best place for the construction of a new power transmission line or transportation corridor. And since it is an analysis that allows for the consideration of various variables, it is a model that is very successfully applied to environmental audits.

The project supported with specialized technical consulting services from the Department of Cartography of the Geosciences Institute of the UFMG, the development of the application model of multicriteria spatial analysis and training for the internalization of knowledge, as well as training for the use of software specific for data analytics.

The first application of geocontrol was made to evaluate the viability of the study of the



***“The results obtained in the various initiatives related to the GeoControl project indicated notably increase in efficiency in the Court’s external control activities. The use of this technology allows greater precision in the analyses carried out during audits, and the expansion of the scope of the audit work, coupled with a reduction in field work costs.”***

**Mauricio de Albuquerque Wanderley,**  
Secretary General of the Presidency of the TCU



Ferrogrão railway corridors (EF-170), which will connect the Brazilian states of Mato Grosso and Pará with a 933 km extension in a project to create a railway corridor for the export of grains through the so-called “Arco Norte.” The TCU began the evaluations in 2018, taking into account all the variables of analysis such as, for example, the route with the least need for deforestation or the reduction of the impact on lands of traditional and indigenous peoples.

The intention of the public administration is to offer the railroad concession through the Investment Partnership Program (IPP). To this end, the National Public Transport Agency (ANTT) developed studies in 2017 and held a public consultation in May 2020. The



**In order to make available and institutionalize the application of geotechnology tools in Court, LabGeo was created, a laboratory for the development and implementation of a technological and methodological architecture of corporate geoprocessing.**

process has been sent to the TCU for analysis, which must issue its opinion authorizing the concession process to continue or not.

The analysis model was also applied in other cases of evaluation by the TCU, such as the study of scenarios and corridors of viability for the BR-153 detour, generating the contour of the Goiânia road system to analyze the reduction of impact. The multi-

criteria spatial analysis was also used to analyze the definition of candidate airfields for federal investments, with the aim of making the best choice of location, for the study of scenarios of corridors of viability for transmission and power lines, seeking to make them more direct in order to offer efficient distribution of energy and also to determine the ideal areas for the construction of day care centers in Belo Horizonte.

All initial applications demonstrated the benefits of geocontrol and the flexibility of the analysis model. The methodology increases the audit capacity and its temporal and spatial scope makes the audit work more efficient because it reduces travel costs, allows the audit in real time, which is especially important in critical issues, and increases quality and robustness of the evaluation of public policies, taking into account the interconnected vision that the various variables allow for.

After the positive results of the application of technologies related to spatial data processing and the formulation of the multicriteria spatial analysis model, in the Geocontrol I initiative, and since the creation of LabGeo, the TCU has advanced even more with the support of the project, training the team, and developing other studies and technologies.

#### **Geocontrol II • Automation of Detection of Irregularity Patterns by means of Artificial Intelligence Systems**

In a second phase, the project also supported the Automation of Detection of Irregularity Patterns by means of Artificial Intelligence Systems. Modeling was refined with the development of a plug-in allowing the use of satellite images to help in the audit process of large areas, especially applicable to environmental audits.

The plug-in, created with the support of the project through a technical partnership with Universidad Federal de Minas Gerais (UFMG), allows the identification of elements in the images and the creation

**Digitization and the use of technologies, in addition to being a very important issue for the TCU and the Brazilian-German Technical Cooperation, have become a direction for external control at a global level.**

The INTOSAI Congress held in Moscow in September 2019 considered that the future direction of External Control depends on the firm commitment of SAIs to provide independent external oversight on the achievement of national goals, including those related to the Paris Agreement and the SDGs, to effectively respond to the opportunities generated by technological advancement and increase the impact that SAIs have on the accountability and transparency of public administration. In this sense, specific agreements were signed that refer to each of the three guidelines.

With regard to the guideline dealing with the opportunities provided by technology, INTOSAI members agreed that:

“SAIs can aim to make better use of data analytics in audits, including adaptation strategies such as planning these audits, developing specialized teams in data analytics and introducing new technologies into the practice of public audit.”

Thus, what was already an important approach for the project, and being pioneered at the national level by the TCU in 2018 and 2019, became a guideline for all SAIs.



of patterns to confirm what these elements are, increasing the consistency of the evaluations. The artificial intelligence algorithm allows the system to identify the evolution of the observed elements.

The initiatives, known as GeoControl, made it possible to learn how to use prospective and disruptive technologies and apply the concept of multicriteria spatial analysis and artificial intelligence to combine various sources and indicators that make it possible to produce large thematic maps. These large maps, with multiple layers of interconnected information, aid in the analysis of audits.

The initiatives generated institutional learning, collaborated on joint work and cooperation between the TCU’s External Control Secretariats, and generated a front of innovation. ■

## International Seminars on Data Analytics in Public Administration

All technological innovation must create an institutional culture that is widely internalized. Since 2015, the SGI has been organizing, in alliance with the ISC, the Seminar on Data Analytics in Public Administration. Starting in 2018, with the support of the project, the Seminar became an international event, with the presence of SAIs from other countries and other government institutions.

The exchange of knowledge, which included training workshops on geotechnologies, stimulated the creation of the Regional Program for Capacity Building in Geotechnologies, within the scope of the OLACEFS Capacity Building Committee (CCC).

In addition, from the regional point of view, there were exchanges between Latin American and Caribbean audit institutions, especially during the International Seminars on Data Analytics and also through dialogues and bilateral exchanges, which stimulated interest in the adoption of Multicriteria Spatial Analysis by other SAIs.

**Geocontrol was also used by the 2<sup>nd</sup> Coordinated Audit on Protected Areas, an initiative that involves 17 countries in Latin America and the Caribbean, led by the TCU within the framework of the Technical Commission for the Environment of the Latin American and Caribbean Organization of Supreme Audit Institutions (COMTEMA/OLACEFS).**

Photo Araquém Alcântara

### FIND OUT MORE

PPI Ferrogrão



Minutes of the TCU • Voz do Brasil



Transmission of the 5<sup>th</sup> International Seminar on Data Analytics



5<sup>th</sup> International Seminar on Data Analytics • Voz do Brasil



### TECHNICAL INFORMATION



Article • The use of geotechnologies as a new tool for External Control



Article • Geotechnologies and the monitoring of the Sustainable Development Goals by Supreme Audit Institutions



INTOSAI Congress • Moscow 2019



# Training in Design THINKING applied to Audits

## Serzedello Corrêa Institute (ISC)



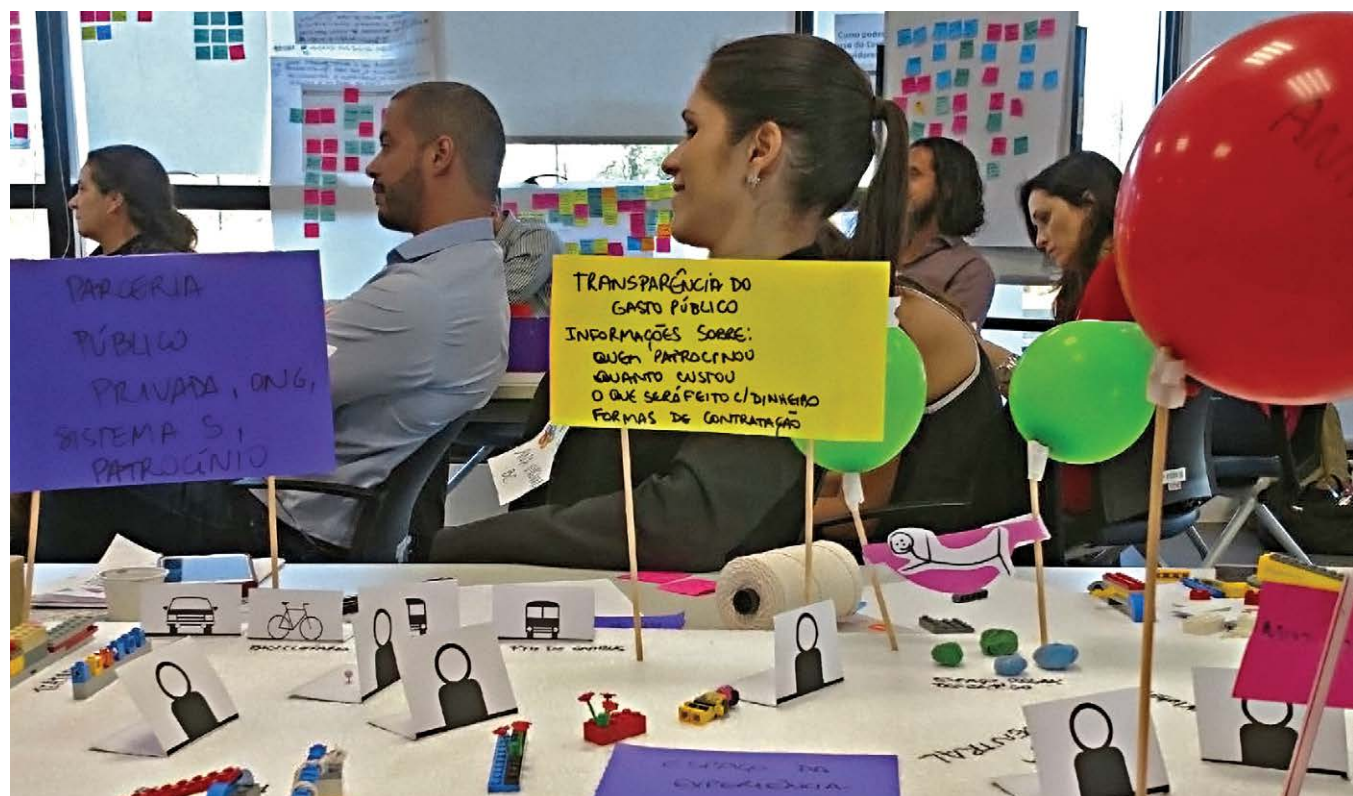
Innovating is an important way to achieve different results for the same challenge. Faced with a global agenda that requires directing efforts to promote sustainable development, innovation becomes even more relevant.

The Federal Court of Accounts has a particular focus on sustaining innovation and generating more effective results that strengthen public administration. Seeking to identify practices to foster innovation, with the support of Instituto Serzedello Corrêa (ISC) through its Innovation Laboratory (coLAB-i), the Court found a globally applied approach for this purpose, which could also be applied in public service: Design Thinking.

This approach of collaborative construction of solutions to complex problems, focused on human beings and their experience, has been used by many organizations around the world to transform the way they develop their products, services, work processes and action strategy. The TCU decided to adopt Design Thinking and invest in promoting innovation in its activities.







But there was still a challenge: to disseminate the model and develop skills in Design Thinking. First, a consulting firm was hired to train the Innovation Lab team and representatives of key TCU units. A Design Thinking toolkit was also developed for the TCU and a compact course (14 hours) was formatted to allow wide dissemination of the approach in the Court.

As the technical body of the Court was not yet familiar with Design Thinking, the Laboratory contacted the TCU's Secretariats and leaders to provide the approach and support to implement it. The TCU also identified the opportunity to carry out debates and collaborative constructions through workshops, using Design Thinking tools. As a result, the laboratory was invited to participate in various projects and lead numerous workshops. It also invested in the production of weekly

articles on Design Thinking published in the TCU internal newspaper to introduce concepts of this approach to officials.

The strategy worked. In the beginning, the Laboratory team participated in the projects and led the workshops, supporting the TCU's technical body in the application of this practice. Later, the team began to just guide and supervise the processes because the professionals were already taking the approach.

As there are many similarities between Design Thinking and the work process adopted to carry out audits, especially performance audits, coLAB-i has begun to adopt that approach for audits.

The first step was the formatting of a collaborative construction workshop to carry out

the Reference Panels of the audits. These workshops, with a structured and objective dynamic using the Design Thinking tools, allowed to expand and qualify the discussions on audit topics. This gain in quality and depth occurs because the approach allows a greater number of internal and external participants, who, in heterogeneous groups, can debate issues, share information, make alignments, create consensus, produce knowledge, build solutions, and prioritize actions.

The Project provided support to the TCU in conducting training activities for representatives of 13 SAIs belonging to OLACEFS and in translating the TCU's Design Thinking into Spanish, which was made available on the OLACEFS website.

During this training, the experience of using Design Thinking in audits was shared

with the participants. Representatives from the SAI of Costa Rica, who understood the contribution of this approach to the work, adopted it and presented their experience with Design Thinking to compete for the SAI Young Leaders Award.

The award was given to auditor Falon Stephany Arias Calero, representing Costa Rica, for her innovative approach to increasing the public value of audit services through Design Thinking. During the award process, which included a public presentation of the experience, the judges evaluated its impact, innovation, quality, inclusiveness and personal effectiveness.

After the award, Falon Calero and Carla Ribeiro da Motta, the auditor responsible for the implementation and development of Design Thinking at the TCU, were invited by the INTOSAI Development Initiative (IDI)

***“Design Thinking has expanded the participation of agents in very important moments of the audit, such as the construction of the “planning matrix” and the “findings matrix,” making more contributions to the improvement of audits. This enriches the results of these works, involves and commits the auditees more, who, by actively participating in the process, even collaborating in the construction of the proposals to carry out the audits, will be more likely to implement them. Design Thinking contributes by making audits more effective and, consequently, the performance of the TCU.”***

**Carla Ribeiro da Motta, Innovation Laboratory - ISC**



# DESIGN THINKING

“Design thinking is a human centered and collaborative approach to problem solving, using a designed mindset to solve complex problems.”  
— Tim Brown, CEO of IDEO

## SAI Innovation experience using design thinking in audits

**Objective**  
Raise curiosity about design thinking and its application in the SAI context.

**Audience**  
Open to all regions and SAI staff.

**Facilitators**  
Ms. Carla Motta (SAI of Brazil) and Ms. Falon Arias (SAI of Costa Rica).

**Language**  
English

**MONDAY**  
9 DECEMBER 19

**15:00 hours CET**  
(Central European Time)



to offer a webinar on innovation strategy for SAI of the different countries that are part of INTOSAI as part of the Green Hat Innovation Exchange.

The Project’s support for this innovation strategy has increased the capacities of

auditors in Brazil and in SAIs in several countries. This resulted in the strengthening of audit activity, especially by expanding communication with stakeholders, ensuring more active collaboration for the audit.

The Design Thinking approach has already been used in some stages of the audits carried out by the TCU, such as, for example, in evaluating the implementation of the National Policy for the Prevention and Control of Cancer, focused on the elaboration of a diagnosis of the paralyzed works in the country financed with Federal funds. It was also a resource used in the Audit of Government Public Policy on Renewable Energy, which you can find in this publication. ■

**The application of Design Thinking has brought many positive results to the external control activity. Based on all the experience, the coLAB-i has developed a proposal to facilitate the application of the approach throughout the audit process. The material includes the identification of dynamics, templates and tools used in Design Thinking applicable to the audit work process.**

- Identification of the moments of application of these instruments throughout the audit phases
  - Customization of the instruments applicable to the audit, in order to adapt them to the characteristics of that work
- Training for a specific auditing toolkit
  - Design of dissemination actions on how to use the approach in the audit work process




### TECHNICAL INFORMATION




Design Thinking for Public Service


### FIND OUT MORE



Toolkit



Costa Rica SAI Young Leaders Award



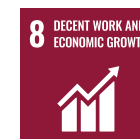
International Journal of Government Audit



# SYSTEMATIZATION

## of the Environmental Audits Portfolio

### SecexAgroAmbiental



The systematization of the audits carried out in the areas of Environment and Agriculture provided subsidies for the development of an action strategy for the TCU. With the project's support, the initiative carried out with the team from the Secretariat for Agro-Environmental External Control made it possible to organize the work done in the period from 2007 to 2016, systematize the existing knowledge on the topic at the TCU, detect areas that were not audited, and identify the governance aspects evaluated.



*“Systematizing the audits portfolio allowed us to organize the knowledge of SecexAgroambiental and offered us three visions: to look at the past and organize all the learning, look at what we are doing, and reflect on our practice and look to the future using these important inputs to plan work and seek increasingly greater effectiveness. It was an impulse to act on the most crucial issues in the area.”*

**Hugo Chudyson Araújo Freire,**  
Secretary of External Control of  
Agriculture and the Environment

## Compilation of audits in the 2017-2018 period

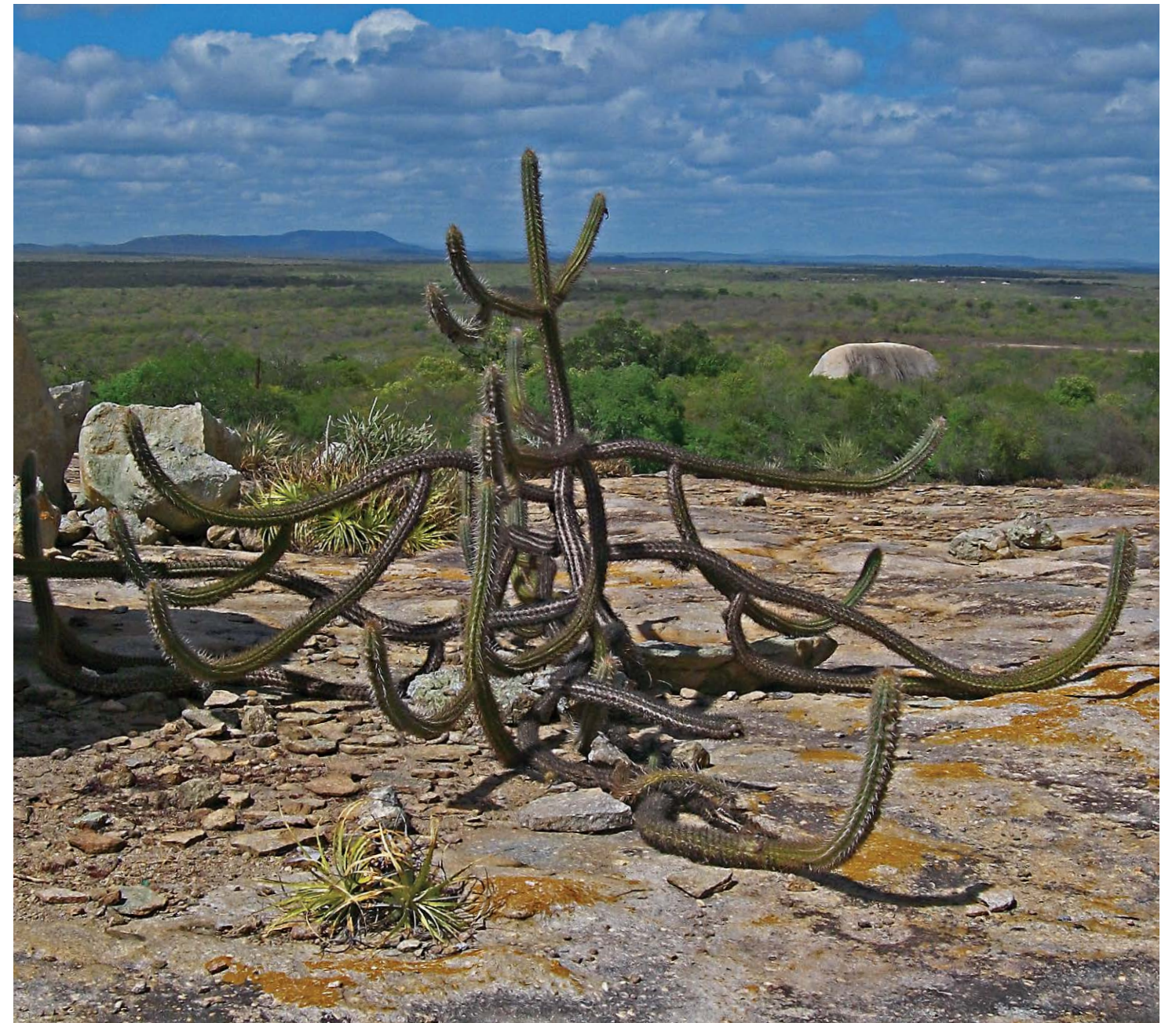
With the aim of improving communication of the work carried out by the TCU, the following were published with the support of the Project: the Environmental Audits notebook and the Agriculture and Agrarian Organization Audits notebook.

See the topics and the number of audits carried out in the Environment field:



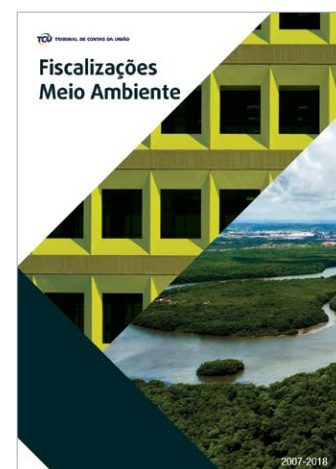
In the area of Agriculture and Agrarian Organization, 14 audits were carried out that dealt with various topics, such as Governance of Non-Urban Soils, Broad-Scope Mapping in the Ministry of Agriculture, Livestock and Supply (MAPA, for its acronym in Portuguese), List of Beneficiaries of the Agrarian Reform and the National Rural Credit System (SNCR, for its acronym in Portuguese).

The work involved mapping all audits, classifying the work based on the Sustainable Development Goals (SDGs) and detecting the governance aspects evaluated. Opportunities for improvement were also suggested, identifying technical and methodological knowledge that could be developed through training actions.



**From 2007 to 2018, 31 audits were carried out in the Environmental area and 14 audits in the area of Agriculture and Agrarian Organization.**





The systematization contributed to the definition of an even more consistent action strategy for the Secretariat. The mapping resulted in the identification of the most important environmental issues for the country and the main international agreements and treaties related to them. At the same time, priority issues or areas could be surveyed for future audits, increasing the awareness and effectiveness of the audit work of this Secretariat.

From this work, it was also possible to identify areas with potential for the use of the Geocontrol methodology, an innovative tool that allows two important applications: the improvement of decision-making on public policies, which is the Multicriteria Spatial Analysis, and monitoring the implementation of public policy. The TCU pioneered the use of this methodology among Supreme Audit Institutions (SAIs). In this regard, more detailed information can be accessed in the part especially dedicated to the Geocontrol and LabGeo initiative. ■

**In the thematic notebooks, it is possible to find detailed information on each of the activities, organized in summary sheets by audit containing an analysis of the context, the work objectives, the main findings, the deliberations taken after the evaluation by the ministers, and the data for access to technical information and details of each audit. This initiative contributes to the management of knowledge and strengthening of the SAIs' performance.**

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Environmental  
Inspections



Agriculture inspections  
and agrarian organization



TCU launches  
geocontrol tool

### TECHNICAL INFORMATION



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Article • The TCU  
and environmental audits



Article • Framework of  
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Strengthening External Control in the Environmental Area • Brazil

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