

Main theses of the presentation of Auditor General Janar Holm at the international scientific and practical conference „The system of public audit in the context of a new historical reality“ on 10 September 2021

Section 3: The role of SAIs in emergency audit and COVID-19 challenges

In his address, Janar Holm will focus on the five following guiding ideas about the changed reality for the public sector as well as the Supreme Audit Institutions (SAIs) amidst the Covid-19 emergency.

- *Speed and flexibility have become vital for SAIs in performing their work.*

The increased pace of decision-making in the audit environment induced by the pandemic has in turn had an influence on the work of the SAIs that have needed to adjust work plans, tackle new emerging issues and speed up internal operations. At the same time, SAIs should also strive to not obstruct the work of entities engaged in crisis management, which makes appropriate timing and the choice of work methods instrumental.

- *The advisory activities of SAIs have a high added value, but the effect of traditional auditing must not be forgotten either.*

The pandemic enables the SAIs to assess in practice how well the country's emergency response is thought out and organised, whether decision-making levels and processes are in place, and whether regulations meet the needs of the crisis time. Many SAIs including the NAOE have increased their advisory role during the public emergency by providing feedback to the government and other relevant entities already in the design and implementation processes of the crisis measures. It has also appeared that information obtained from monitoring and auditing the first-wave measures has enabled to make recommendations regarding consecutive ones applied during the next waves of the pandemic. At the same time, more traditional audit approaches such as assessing the compliance of the results with the desired objectives as well as addressing corruption risks and potential preferential treatment of the beneficiaries of subsidies demand attention.

- *Besides acting quickly in the present, SAIs must also be alert and vigilant about the long-term issues.*

Upon making plans for the years ahead, SAIs could take it as their goal to analyse the potential long-term economic and social security challenges caused by the crisis. In the post-crisis world, aside from the notably increased budget deficits and debt burdens foreseen in many countries, issues related to employment policy, subsistence as well as risks and impacts

associated with disruptions in the education system and resilience of the healthcare system will demand attention.

- *Resolving the crisis is a global task wherein SAIs can be empowered by international cooperation with peers.*

International cooperation is instrumental in overcoming the pandemic and alleviating its impacts. Governments around the world are in a largely similar situation and apply broadly similar measures to fight the crisis. It therefore makes a lot of sense to share experiences and best practices also between the SAIs – to better understand how the SAIs can more effectively fulfil their role and contribute to overcoming the pandemic situation. EUROSAI Project Group on Auditing the Response to the COVID-19 wherein 34 European audit offices have joined forces is a good example in point.

- *Digitalisation and e-governance are key issues for the functioning of the society and prerequisites for the state and the SAI to successfully operate during the pandemic lockdown.*

SAIs have had to find ways to continue their operations amidst the pandemic, such as switching to teleworking. The prerequisites for achieving good work results in a remote setting include functioning information systems, secure information exchange channels and digitally available data. The SAIs could draw the attention of public agencies to the need to digitise data and improve the overall data exchange in the public sector. On the example of Estonia, it can be said that the digitisation of data and public services have enabled the state to continue to operate efficiently despite the lockdowns. This recognition also gives rise to very important new focuses in terms of the topics of audits.