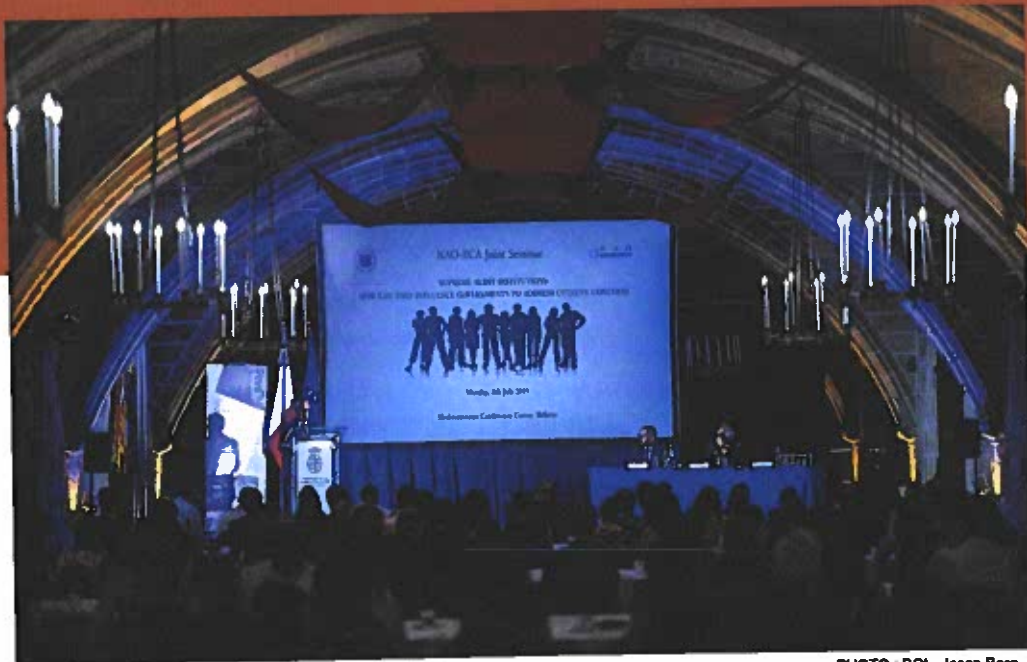


Reaching out Annual joint NAO/ECA seminar in Malta

By Annette Farrugia, private office of Leo Brincat, ECA Member



ECA Member Leo Brincat speaking at the joint ECA/NAO conference in Malta

PHOTO : DOI - Jason Borg

In the past three years, the Maltese National Audit Office (NAO), has organised an annual joint seminar in Malta, inviting speakers together with the ECA and in particular ECA Member Leo Brincat. These seminars are targeted at Members of Parliament sitting on the Public Accounts Committee, together with key public officials from governmental organisations and NAO staff. This year's seminar had as theme 'Supreme Audit Institutions: How can they influence governments to address citizens' concerns?'. Annette Farrugia, attaché in the private office of Leo Brincat, provides insights on the seminar's discussions and on other activities involving reaching out to stakeholders in Malta.

Focus on citizens' concerns

For this year's conference, the ECA and NAO sought to address the external auditor's role, and more specifically that of supreme audit institutions (SAIs), as a key influencer of good governance, both at a European and national level. In that role, SAIs should encourage public institutions to continuously strive to listen, engage and deliver upon the concerns of ordinary citizens, which is also the key element of International Standard for Supreme Audit Institutions (ISSAI) 12 on 'The Value and Benefits of Supreme Audit Institutions – making a difference to the lives of citizens' (see **Box 1**).

Box 1 - ISSAI 12 The Value and Benefits of Supreme Audit Institutions – making a difference to the lives of citizens

'SAIs demonstrate ongoing relevance by responding appropriately to the challenges of citizens, the expectations of different stakeholders and emerging risks and changing environments in which audits are conducted.

Furthermore, to serve as a credible voice for beneficial change, it is important that SAIs have a good understanding of developments in the wider public sector and undertake meaningful dialogue with stakeholders about how the SAI's work can facilitate improvement in the public sector.'

In his keynote address, Leo Brincat outlined three main messages in answering the question of how SAIs can influence governments to address citizens' concerns.

The role of an SAI in government policy

A question that pops up very often across SAIs is where to draw the line when it comes to influencing government policy in choosing performance audit topics or at the planning and reporting stages of an audit. Leo Brincat noted that 'whilst it is fundamental that as auditors, we should ensure that our work continues to focus on priority trends, issues and developments, even if we somehow enter the political realm, we must do so through transparent, fact-finding and objective reporting as well as via prudent timing of reports and the recognition of socio-economic circumstances and sensitivities.' He emphasised that SAIs play an important role in promoting changes and reforms in the performance management of the bodies they audit.

The topics an SAI chooses to audit

Leo Brincat noted that, as opposed to former years when audit institutions focused almost entirely on compliance auditing, today most of them feel that they should cover subjects which touch upon citizens' lives, that in the past were not considered their domain. In this way, SAIs are increasing their own relevance and expanding their outreach. This year's guest speaker, ECA director Gerhard Ross, delivered a presentation on 'Identifying the right topics and communicating results effectively,' setting out the ECA's programming cycle as well as the importance of engaging with stakeholders in gathering audit ideas, whilst maintaining our independence and maintaining our focus on high risk and high materiality areas.

The SAI's communication strategy & tools

'The need to reconnect relations between institutions, governments and the taxpayer - as the ultimate stakeholder, can be done by opening more direct connectivity channels,' said Leo Brincat. He also mentioned that, currently the major challenge - or opportunity - is that of communicating audit findings in a digital world. This is an area in which the ECA has introduced a number of new tools for improving interaction with EU citizens. The use of social media has gained increasing relevance as a direct channel to reach out to our citizens or stakeholders. Gerhard Ross also mentioned that a communication plan, visual presentation and clear language are key for conveying the main messages of our audit reports.

Further to this, the Malta Auditor General, Charles Deguara, explained how the technical aspect of audit reports has a tendency to put off the public from taking an interest in the work of the SAI. In order to address the deficit in the level of communication with the public, the NAO would be introducing a more effective method and style to inform the public about the conclusions of the Auditor's reports.

Reaching out to stakeholders in the Member States

In his mission of reaching out to stakeholders, Leo Brincat combined the conference in Malta with a number of meetings and exchanges with various interested actors in Malta, where he presented the ECA's special report on the European Fund for Strategic Investments (EFSI), for which he was the reporting ECA Member.

His first presentation was at the Parliament of Malta where he discussed the report with a number of parliamentary committees including the Foreign and European Affairs Committee, the Public Accounts Committee and the Economy and Financial Affairs Committee. Members of the committees expressed their views on the amount of EFSI uptake by Malta and inquired into the issue of geographical disparity, where the majority of EFSI financing went towards the 'EU 15.'

Given the topicality of the EFSI report, notably to the private sector industry, another meeting took place at the Malta Chamber of Commerce, Enterprise and Industry, to discuss the importance of the EU flagship initiative in boosting growth and investment by providing access to finance. The Malta Chamber provided Leo Brincat with feedback about the limitations and pitfalls of EFSI on behalf of the local business community. Here, one of the concerns expressed was that, in spite of EFSI being a demand driven instrument, its geographical distribution across the EU remained a challenge in terms of the lower take up by smaller Member States, such as Malta. This could be attributed to the required high value of the projects and market needs.

Finally, Leo Brincat also presented the EFSI special report to the Malta Development Bank, which was set up in 2017 with the strategic objective to offer financing facilities that support viable operations where the market is unable or unwilling to accommodate such activities on its own. In doing so, it engages regularly with EU institutions including the European Commission and the European Investment Bank. The Malta development Bank is chaired by former ECA Member Prof. Josef Bonnici.

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