

3. THE ROLE OF SUPREME AUDIT INSTITUTIONS AND OTHER OVERSIGHT BODIES

What Is It?

Supreme Audit Institution (SAI)

is an independent, national

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oversight entity

whose audit function or role is established by a country's constitution or supreme law-making body.⁹² An important accountability actor, they are largely responsible for auditing a government's revenue and spending, helping to ensure transparency and accountability and the performance of government bodies and ministries in using public funds efficiently and effectively. While structures, mandates and reporting relationships of SAIs vary, they are central to strengthening and developing strong institutions.

In terms of

overall functions

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SAIs can undertake independent performance audits of a government's SDG implementation efforts; provide checks on a government's budget allocation and expenditures; ensure compliance of a government's programmes with existing laws and regulations; assess the readiness of a national government to implement the SDGs and ability to report on the SDGs, including the reliability of its data production; and work with parliaments, other oversight bodies, civil society and others in holding government to account.⁹³

The main role of SAIs in Agenda 2030 implementation is that they are the lead institution that is charged with conducting performance audits of government preparedness for SDG implementation. The SAI audits tend to focus on three main questions: (i) To what extent has the government adapted Agenda 2030 to its national

context?; (ii) Has the government identified and secured resources for implementation?; and (iii) Has the government established a mechanism to monitor, follow up and review implementation?

Many SAIs also independently support parliaments in their oversight of government budgets and spending. Some play an even larger role in accountability – including with judicial authority – to ensure that government programmes are in compliance with laws and regulations. Others undertake performance assessments to determine the effectiveness of a government's activities. In contributing to holding governments to account, SAIs overlap with other stakeholders involved in the follow-up and review of the 2030 Agenda, such as parliamentarians and civil society organizations, supporting implementation of the SDGs, including SDG 16, through VNR and post-VNR processes.

One of the specific areas SAIs are involved in is the fight against corruption in the public sector. Through their audits of public expenditure and government accounts, SAIs ensure the proper use of public resources and help to create an enabling environment for good governance to advance sustainable development.

In addition to SAIs, other important oversight bodies include ombudsman institutions, anti-corruption bodies and financial oversight institutions, such as financial intelligence units.

Why Is It Important?

The SAI role is a unique one – while some SAIs have inputted into VNRs, their role in the following up of the VNR remains unclear. There is a key opportunity for SAIs to include regular audits, not just once; these subsequent audits should see how recommendations and findings in the VNR have been reflected and integrated into government actions.

⁹² SDG Accountability Portal. Utilizing Supreme Audit Institutions (SAIs).

<https://sdgaccountability.org/working-on-oversight-for-accountability/utilizing-supreme-audit-institutions/>

⁹³ SDG Accountability Portal. Utilizing Supreme Audit Institutions (SAIs).

As mentioned, SAIs play a strong role in fighting corruption. Estimates show that

bribery, theft and tax evasions,
and other illicit financial flows cost
developing countries US\$1.26 trillion

per year.⁹⁴ As much as US\$132 billion is lost to corruption every year throughout the European Union's member states, according to the EU Commissioner for Home Affairs. According to the 2019 Transparency International

Transparency International
Corruption Perceptions Index

a majority of countries are showing little to no improvement in tackling corruption.⁹⁵

Acting as a governance bottleneck to development, resources lost to corruption could otherwise be used to ensure equal access to basic services like education, health, clean water and sanitation, with dignity and without having to pay bribes. Additional consequences include the corrosion of the rule of law, the erosion of trust in government institutions, and the undermining of governments' ability to serve public interests.

In the context of COVID-19, corrupt practices range from how 'prepare, respond and recover' strategies are implemented and fraud involving the procurement of medical supplies, to limiting access to public health data and resources based on states of emergency and discrimination or corruption in healthcare service delivery.

Therefore, institutions and bodies that are established to combat corruption, increase accountability and promote transparency, such as SAIs, are fundamental not just for the realization of SDG 16, but for all SDGs.

Botswana: Integrating Anti-Corruption into National Development Plans and Strategies⁹⁶

The 2030 Agenda coincided with the preparation of Botswana's key national and subnational frameworks (Vision 2036, National Development Plan 11, District Development Plan 8 and Urban Development Plan 4). Building upon Botswana's first national vision (1996-2016), the Government of Botswana reaffirmed its commitment to the full-scale implementation of the 2030 Agenda by mainstreaming the SDGs into national policies, sectoral plans and strategies.

Vision 2036 is underpinned by four pillars: Sustainable Economic Development Pillar; Human and Social Development Pillar; Sustainable Economic Development Pillar; and Governance, Peace and Security Pillar.⁹⁷ The Governance, Peace and Security Pillar, and, in particular, transparency and accountability, are viewed as prerequisites for progressive governance and building trust among the public, public institutions, the private sector and civic institutions, in fulfillment of Vision 2036.

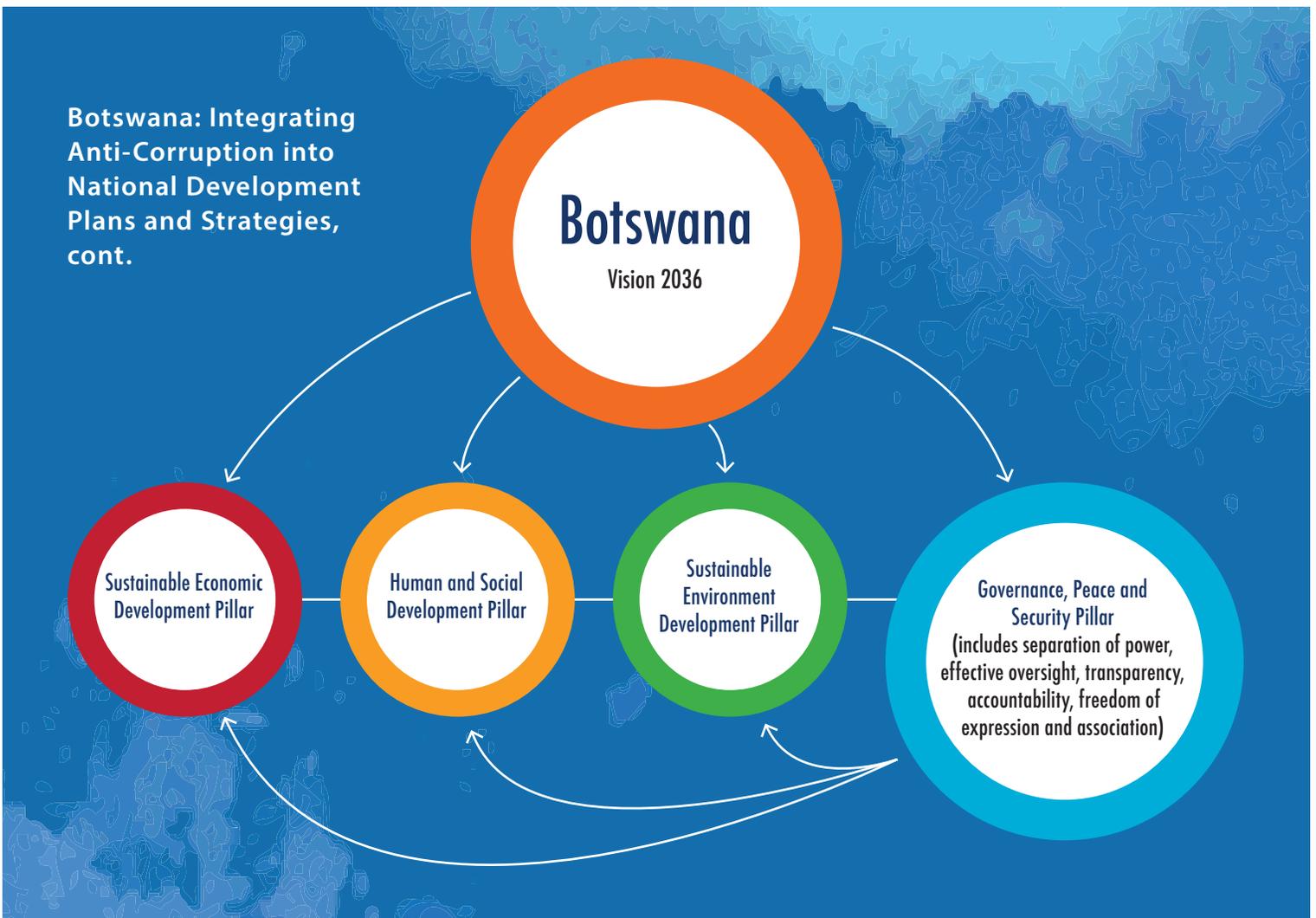
94 UN Sustainable Development Goals. Goal 16: Promote just, peaceful and inclusive societies. <https://www.un.org/sustainabledevelopment/peace-justice/>

95 World Economic Forum (2019). *Corruption costs developing countries \$1.26 trillion every year – yet half of EMEA think it's acceptable.* <https://www.weforum.org/agenda/2019/12/corruption-global-problem-statistics-cost/>

96 This Case Study was provided by UNDP, Singapore.

97 Botswana Vision 2036: Achieving Prosperity for All. Home page. <https://vision2036.org.bw/>

Botswana: Integrating Anti-Corruption into National Development Plans and Strategies, cont.



Through audits and consistent with their mandates and priorities, SAIs can contribute to tracking and monitoring progress while also identifying opportunities for improvement. To this end, the active engagement of SAIs was explicitly recognized in the General Assembly's December 2014 resolution

'Promoting and fostering the efficiency, accountability, effectiveness and transparency of public administration

by strengthening supreme audit institutions'.⁹⁸ SAIs have the potential to go beyond their traditional oversight role and contribute evidence for more informed

policymaking in contributing to achieving the SDGs at the national level.

However, progress has been slow in measuring, monitoring and mainstreaming SDG 16 targets focused on effective and accountable institutions, corruption and transparency (16.4, 16.5, 16.6, 16.7 and 16.10).⁹⁹

This is largely due to four factors:

- **Weak institutional capacity and political will** at the national level to implement anti-corruption targets of SDG 16;
- **Knowledge gaps** in terms of how to mainstream and integrate SDG 16 and anti-corruption targets

⁹⁸ UN General Assembly (2012). Res/66/209: Promoting the efficiency, accountability, effectiveness and transparency of public administration by strengthening supreme audit institutions. https://www.intosai.org/fileadmin/downloads/documents/open_access/intosai_and_united_nations/66_209_2011/EN_un_resol_66_209.pdf

⁹⁹ UNDP. Anti-corruption (Webpage). <https://www.undp.org/content/undp/en/home/ourwork/democratic-governance-and-peacebuilding/responsive-and-accountable-institutions/anti-corruption/>

in national, sectoral and local development plans and processes;

- **Lack of methodologies and/or existing data;** and
- **Lack of effective national coordination and monitoring mechanisms that involve relevant stakeholders** (e.g., engagement of audit institutions, anti-corruption agencies, civil society, parliamentarians and others in the SDG-related coordination and monitoring processes).

As SDG plans are often the priority of finance and planning ministries, there tends to be little interaction with anti-corruption entities. In order to effectively integrate anti-corruption in the SDGs, national anti-corruption strategies should be a fundamental part of national sustainable development plans.¹⁰⁰ To this end, coordination between anti-corruption and development communities¹⁰¹ is to be strengthened. Further, efforts should be made to dedicate more national resources to the prevention of corruption.¹⁰²

Oversight requires special frameworks, mechanisms and, often, highly technical knowledge

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Capacity development to further support representatives of SAIs and other oversight institutions is key to strengthening their role in delivering upon SDG 16 through VNR and post-VNR processes as linked to NDPs.

How Can This Be Used?

Similarly to parliaments,

Partners for Review analysis

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noted increased reporting on SAIs in the 2019 VNRs, indicating their growing role in VNR processes and SDG implementation efforts.¹⁰³ A number of countries

described SAIs as a means of strengthening accountability of domestic SDG-related activities. In addition, auditing institutions were also mentioned in terms of assessing the SDG preparation, implementation and monitoring efforts.

Through VNR and post-VNR processes, SAIs directly contribute to implementation of the SDGs, and particularly of SDG 16, fostering more effective, inclusive and accountable government institutions.

100 Relatedly, and as highlighted in the 2019 World Public Sector Report, UN DESA, "[several supreme audit institutions have conducted evaluations of anti-corruption strategies and instruments of public entities](#)".

101 Within the anti-corruption community, this includes global anti-corruption actors, the Ministry of Justice and attorneys-general, anti-corruption agencies (i.e., audit institutions) and civil society working on anti-corruption. Within the development community, this includes budget and planning ministries, line ministries and civil society.

102 UNDP. *Anti-corruption*. <https://www.undp.org/content/undp/en/home/ourwork/democratic-governance-and-peacebuilding/responsive-and-accountable-institutions/anti-corruption/>

103 P4R (2019). Voluntary National Reviews submitted to the 2019 High-level Political Forum for Sustainable Development – a Comparative Analysis, p. 5. <https://www.partners-for-review.de/wp-content/uploads/2019/11/P4R-Analysis-VNRs-2019.pdf>

Chile: An Exercise in Exercising SAI Rights and Responsibilities, In-Country and In the Region ¹⁰⁴

While channels for engagement were originally limited, Chile's SAI, the Comptroller General's Office (CGR), was able to meaningfully participate in Chile's second VNR in 2019.¹⁰⁵ To this end, the CGR worked collaboratively across four parameters:

1. Assessing the government's readiness to implement, monitor and report on the SDGs

Between 2016 and 2019, the CGR carried out five audits to evaluate the government's preparedness. These audits focused on: institutionalization, strategy, coordination (intergovernmental and across stakeholders), monitoring, reporting and transparency, as well as on SDGs prioritized by the government (SDG 16 and SDG 7, along with SDG 5 and SDG 2.4).

Recommendations included improved interministerial coordination for national planning, with clearly defined responsibilities, organizational structure and information to feed into the VNR. They also focused on reducing implementation risks related to SDG 2.4, given a lack of evidence found in alignment, coordination and monitoring mechanisms for public policies related to this goal.

2. Auditing Government Programmes that Contribute to the SDGs

This included issuing guidelines and specific tools for auditee reports to consider how government programmes are aligned with, or contribute to, SDG implementation and compliance, framing assessments around SDG 16, and identifying the SDG(s) linked to that audit. To support this process, a virtual desktop was created for audited entities to access observations made and efforts to correct them. A compliance support system was also created by which the CGR works with auditees to improve internal processes.

3. Exemplifying Transparency and Accountability

The CGR voluntarily raised its standards in compliance to meet current, institutional transparency laws. It also created a transparency portal (which goes beyond legal requirements) where citizens are presented with details of the CGR's budget and how it was spent, including travel costs of officials and information about staffing (position, grade, salary, paid overtime).

4. Evaluating and Supporting SDG 16 Implementation

Led by CGR and UNDP Chile, the UNCAC Chile Anticorruption Alliance plays an important role in advancing SDG 16.¹⁰⁶ The Alliance, bringing together 28 institutions from the public, private and civil society sectors, works to implement UNCAC principles through four areas:

- a. Promotion of integrity: promoting codes of ethics in the public sector; articulating compliance measures for SMEs that supply the state; and an integrity programme for state companies;
- b. Training: trainings for the public sector and civil society with communication plans;
- c. Legislative initiatives: formulating regulatory reform proposals for UNCAC compliance; and
- d. Good practices: promoting compliance internally with UNCAC standards and rewarding public and private sector entities that have implemented related integrity initiatives.

104 This case study draws from interviews with Chile's Comptroller General's Office.

105 Initial requests to join the National Council for the Implementation of the 2030 Agenda were sent, through the Ministry of Foreign Affairs, in 2016 for participation in Chile's 2017 VNR process.

106 UNCAC Chile. Agenda Anticorrupción: Desafío y Seguimiento <http://www.alianzaanticorrupcion.cl/AnticorrupcionUNCAC/>

Despite challenges, progress has been made on global anti-corruption efforts over the past decade, thereby furthering SDG 16. This has been largely due to the nearly universal ratification of the UN Convention Against Corruption (187 states parties as of 6 February 2020) and the growing importance of governance and anticorruption in enhancing sustainable development by improving the capacity, efficiency and effectiveness of public institutions; strengthening coordination and monitoring mechanisms; and removing governance and corruption bottlenecks that impede progress in achieving development goals.

The implementation of the UNCAC as the only global, legally-binding anti-corruption instrument has provided an opportunity for countries to strengthen their institutional capacity to combat corruption and implement anti-corruption reforms, including, in certain contexts, as linked to VNRs and NDPs (examples to be highlighted in case studies). It covers five main areas: prevention; criminalization and law enforcement measures; international cooperation; asset recovery; and technical assistance and information exchange.

South Korea: Citizen Participation in Strengthening Oversight¹⁰⁷

In South Korea, the Anti-corruption & Civil Right Commission (ACRC) established the E-Participation Portal (www.epeople.go.kr, available in 15 languages), a complaint hotline and whistle-blower mechanism through which citizens can report areas of suspected irregularities or corruption and can request close inspection. The Portal collects “reports on unjust handling of petitions by administrative agencies, complaints and particularly behaviors such as unjustly refusing receipt and handling of petitions on the grounds that they may be later pinpointed by audit, inspection or investigation.” It also receives “reports of corruption and fraud of public officials, including bribery, idleness, embezzlement and the misappropriation of public funds.” This mechanism has been contributing to the effective handling of public complaints and grievances, resulting the country's first rank in the E-Participation Index of the UN E-Government Survey 2020.

Key Resources:

- [Are Nations Prepared for Implementation of the 2030 Agenda?](#), INTOSAI Development Initiative (2020);
- [SDG Accountability Handbook](#), TAP Network (2019);
- [Supreme Audit Institutions and Good Governance](#), OECD (2016);
- [Partners for Review Voluntary National Reviews submitted to the 2019 High-level Political Forum for Sustainable Development – a Comparative Analysis](#), (2019);

- [Background Paper for the High-Level Session at the 18th International Anti-Corruption Conference \(IACC\) Anti-Corruption Contribution to Accelerate Progress on the 2030 Agenda for Sustainable Development](#), UNDP and UNODC (2018);
- [Auditing Sustainable Development Goals](#), INTOSAI Knowledge Sharing Committee.

Interviews: Silke Steiner, INTOSAI; Osvaldo Cristian Rudloff Pulgar, Comptroller General's Office, Chile; and Anga R. Timilsina, Global Lead, Anti-Corruption, UNDP.

¹⁰⁷ This Case Study comes directly from the [TAP Network's SDG Accountability Handbook](#). TAP Network (2019). SDG Accountability Handbook: A Practical Guide for Civil Society, p. 61. <https://sdgaccountability.org/sdg-accountability-handbook/>