

NACS

Network of
Anti-Corruption
Specialists

Workshop on Anti-Corruption Audits — carried out by Supreme Audit Institutions

Competing Minds, Co-operating People

NACS is a network of senior anti-corruption specialists around the world.

NACS' mission is to allocate existing knowledge in fighting corruption, innovate new ideas, and create new approaches.

Innovate. NACS makes the best independent minds compete to get to the bottom of corruption issues fast.

Allocate. Once the cause is known, chances are that the solution already exists within the NACS network.

Create. Where new solutions are needed, NACS provides teams to create tested tools and implement projects.

Why Anti-Corruption Audits?

Regular audits are commonly referred to as statutory audits, are mostly of a financial and/or compliance nature and seek to verify that the public monies have been recorded and spent in accordance to the national budgetary policy and allotments. These are usually associated with governmental external auditing and mostly carried out by the country's Supreme Audit Institution (SAI).

Anti-Corruption Audits are mainly geared toward gaining an insight into the vulnerabilities within government organisations, and toward finding out what measures have been taken to arm a certain organisation against corruptive practices. The resistance capability can mainly be assessed by examining what regulations, procedures and guidelines the organisation already uses, and whether already some kind of policy and/or relevant measures have been put in place.

Anti-Corruption Audits provide the foundation for enhancing the capability of an organisation to arm itself against violations of - or threats to - integrity. It is a **preventive instrument** for the identification of the vulnerable spots that are inherent in any organisation. The anti-corruption audit methodology consists of **(1)** the identification of vulnerabilities; **(2)** an assessment of an organisation's resistance capability to compensate for these vulnerabilities; **(3)** the development of additional measures to enhance this resistance capability, and **(4)** the provision of a tool box with check lists, examples and background information.

How do Anti-Corruption Audits Work?

Conducting anti-corruption audits can be divided into four stages. The **first stage** involves preparing the ground for the audit by familiarising the client administration with the main features of the methodology and to allocate responsibilities for initialising the audit.

The **second stage** is centred on a workshop with a wider set of stakeholders, in order to identify areas, activities or processes, which may be particularly sensitive to corrupt practices (corruption hotspots).

The **third stage** involves a close inquiry into the targeted corruption hotspots. An audit team, put together for this purpose and trained in using the integrity audit methodology, makes extensive use of an assessment framework that forms part of the methodology.

Key questions are whether the ministry has in place the policies, strategies, rules and regulations it is obliged to have in order to address corruption risk, and whether staff is aware of those policies, strategies, rules and regulations, which are in place.

The **fourth and final stage** translates the inquiry into a report reflecting the main findings and conclusion of the audit team. The report addresses specifically the management of the ministry with recommendations for strengthening the ministry's capacity to prevent corrupt practices, and puts forward a monitoring mechanism for implementation of the suggested measures.

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Fred Schenkelaars

Fred is a Chartered Accountant with eight years of hands-on experience in private sector audit and in the public administration of the Netherlands, and 25 years with several United Nations agencies. Active in the field of development for over 30 years, he has been the global manager of UNDP's Programme for Accountability and Transparency, during which tenure (1995-2000) he developed CONTACT, the UN's diagnostic tool for financial management and integrity systems. He has been conducting numerous quick scan, diagnostic and formulation missions, and has organised training workshops in financial management and anti-corruption assessment.



Daniel Blais

Daniel is a professional accountant/auditor and law graduate. He has been involved in international financial oversight mainly with SAIs (Supreme Audit Institutions) during and after a career in academia as professor at the university level. Cumulating some 28 years of work as both staff and consultant in several multilateral and bilateral institutions, he has held a post with the United Nations Secretariat in which he was involved in accountability and transparency needs assessment, activity formulation, and activity monitoring as well as project management and evaluation issues. Subsequently he was regional project co-ordinator with UNDP's Programme for Accountability and Transparency (Central and Eastern Europe and the CIS).

Workshop on Anti-Corruption Audits

Objectives	Staff understanding the concepts of anti-corruption activities; Staff is familiar with the process of anti-corruption auditing; Staff identifies the steps necessary for carrying out an anti-corruption audit; Staff is able to prepare the ground for conducting an anti-corruption audit in a particular auditee entity.
Outputs	List of vulnerable areas (hotspots) as priorities for anti-corruption audits; List of existing measures reducing the risk for corruption practices; List of obstacles for applying existing measures; List of possible measures to increase resistance to corrupt practices in the identified areas; Identification of possible composition of pilot audit working group; Recommendations for follow-up.
Participants	Deputy Ministers and Heads of Agencies; Heads of Departments of Ministries and Agencies; Heads of Audit and Inspection Departments; Members of Supreme Audit Institutions; Members of Anti-Corruption Agencies.
Duration	Full Day
Prerequisites	Working Knowledge of English
Pre Workshop activities	Familiarise clients with the Anti-Corruption Audit Methodology; Allocate Responsibilities for Initializing the Audit.
Post Workshop Activities	WS report preparation; WS Report feedback; Establishment of audit working group; Preparation of ministry integrity audit matrix; Preparation of audit programmes; Conduct of audit; Analysis of audit results; Drawing up of recommendations;

Assistance in pre and post workshop activities can be provided upon request

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Networked Governance

Network of Anti-Corruption Specialists (NACS)
Ettalstrasse 23b
81377 Munich
Germany
Phone: +49-89-41610435-0
Fax: +49-89-41610435-9
E-mail: mail@anticorruptionnetwork.org
Web: www.anticorruptionnetwork.org