



## MINUTES OF 28<sup>TH</sup> ECOSAI GOVERNING BOARD MEETING (GBM)

11 SEPTEMBER 2024 | ASTANA, KAZAKHSTAN

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### List of Attached Documents

S. No	Document Title	Annexure
1.	List of Participants	I
2.	Welcome Speech by the Host	II
3.	Opening Speech	III
4.	Agenda of ECOSAI 28 <sup>th</sup> Governing Board Meeting	IV
5.	Activity report presented by the Secretary-General	V
6.	ECOSAI Accounts for the year ending December 31, 2023	VI
7.	23 <sup>rd</sup> ECOSAI Training Committee Meeting (TCM) Report	VII

The 28<sup>th</sup> GBM was held in Astana on 11 September 2024. The Governing Board (GB) members along with their respective delegations attended the subject meeting. GB members [in attendance of the meeting] were:

- i. Dr. Davood Mohammadi, Prosecutor General Supreme Audit Court, Islamic Republic of Iran
- ii. Mr. Alikhan Smailov, Chairman of the Supreme Audit Chamber of the Republic of Kazakhstan
- iii. Mr. Muhammad Ajmal Gondal, Secretary General of ECOSAI/ Auditor-General of Pakistan
- iv. Mr. Mr. Ahmet Tezcan, Deputy President of the Turkish Court of Accounts, Turkiye
- v. Mr. Pardali Batirov, Auditor, Member of the Council of the Chamber of Accounts of the Kyrgyz Republic

The complete list of participants is placed at Annexure-I.



## **1. Welcome speech**

Mr. Alikhan Smailov, Chairman of the Supreme Audit Chamber of the Republic of Kazakhstan welcomed the delegates and thanked all Governing Board members for their support during the organization and arrangements of this meeting. The welcome speech is placed at Annexure-II.

## **2. Opening speech of the GBM**

Dr. Davood Mohammadi, Prosecutor General Supreme Audit Court, Islamic Republic of Iran expressed gratitude on behalf of SAI Iran to all colleagues from the ECOSAI Governing Board and the esteemed representatives. He hoped that the presence and participation of respected colleagues in this meeting will help to achieve our goals in the ECOSAI. The opening speech is placed at Annexure-III.

## **3. Adoption of GBM Agenda**

The meeting unanimously adopted the proposed agenda of the 28<sup>th</sup> Governing Board Meeting (Annexure-IV)

## **4. Activity Report by the Secretary-General ECOSAI**

Mr. Muhammad Ajmal Gondal, Secretary-General of ECOSAI and Auditor-General of Pakistan thanked SAI Kazakhstan for making excellent arrangements for the GBM. The Secretary-General highlighted the significant activities of ECOSAI and the Secretariat during 2023-24. He emphasized that collaborative efforts within ECOSAI will be crucial in driving forward our mission of promoting good governance, accountability, and sustainable development.

The activity report of the Secretary-General is placed at Annexure-V.

## **5. Presentation of the ECOSAI Annual Accounts**

ECOSAI Secretariat presented the Annual Accounts for the year ending December 31, 2023. The Secretariat explained in detail the following:

- i. Annual Accounts & Financial Statements comprising:
  - a. Balance Sheet



- b. Statement of Income & Expenditure
- c. Cash Flow Statement
- d. Summary of Annual Contribution
- e. Accumulated Contribution Receipt & Expenditure

**Outcome:** GB unanimously approved the Annual Accounts for the year ending 31 December 2023 placed at Annexure- VI.

#### **6. Presentation of the 23<sup>rd</sup> ECOSAI Training Committee report**

SAI Pakistan presented the report of the 23<sup>rd</sup> ECOSAI Training Committee Meeting (TCM) held on 11 September 2024. The following agenda points were discussed during TCM.

- i. Follow-up on the 22<sup>nd</sup> Training Committee meeting decisions
- ii. Discussion of technical points regarding posting of news items on ECOSAI website
- iii. Discussion to explore possibility of signing of MoU between ECOSAI members on bilateral cooperation including training related matters and exchange of visits of small group of experts among SAIs
- iv. Discussion on hosting of trainings for ECOSAI Training Plan 2023-25
- v. Report on ECOSAI Training Courses held during 2023-2024

The decisions of the TCM were shared with the GBM

**Outcome:** GB approved the 23<sup>rd</sup> ECOSAI TCM Report placed at Annexure– VII.

#### **7. Report on the publication of the ECOSAI Circular by the SAI Pakistan**

SAI Pakistan presented the report on the publication of the ECOSAI Circular. Secretariat informed that the ECOSAI Circular is the official bulletin of ECOSAI and has the objective of providing member SAIs with the forum of sharing experiences in different areas of public sector auditing. It was approved in the 20<sup>th</sup> ECOSAI GBM that the ECOSAI Circular will be published twice a year.

- i. Since the last ECOSAI Governing Board Meeting , ECOSAI Secretariat prepared and designed Autumn Issue 2023 and Spring Issue 2024. Digital copies of the circulars were disseminated among the member SAIs by SAI Pakistan.
- ii. SAIs of Azerbaijan, Iran, Kazakhstan, Turkiye, and Pakistan contributed Articles in ECOSAI Circulars.



- iii. For next circular, request for contributions of articles and news items for ECOSAI Circular Autumn Issue 2024 will be circulated among member countries.

**Outcome:** GB approved the report on the publication of the ECOSAI Circular.

#### **8. Report on ECOSAI Trainings held in 2023-2024**

SAI Pakistan presented the report on ECOSAI Trainings held in 2023-2024. ECOSAI Secretariat informed according to ECOSAI Training Plan following training courses were conducted:

- i. Turkish Court of Accounts conducted virtual training on "Quality Management for SAIs" for ECOSAI member and observer SAIs on 28-29 November, 2023.
- ii. SAI Iran conducted ECOSAI Online Training Course on Cost Auditing on 5 March 2024.
- iii. Turkish Court of Accounts conducted virtual training program on "Ethics in Audit" for ECOSAI member and observer SAIs on April 17-18, 2024.
- iv. SAI Pakistan conducted 3-days online ECOSAI Course on Financial Analysis in Performance Auditing from 23-25 April, 2024

**Outcome:** GB approved the report on the ECOSAI Trainings held in 2023-2024.

#### **9. Report of the committee on proposal of SAI Iran regarding establishment of Working Group on IT Audit**

ECOSAI Secretariat apprised that in 26th GBM, the GB constituted committee comprising SAI Turkiye, SAI Kazakhstan, SAI Iran and SAI Pakistan to figure out the establishment of Working Group on IT Audit. The Secretariat requested SAI Iran to share details on the following points with the members of the committee:

- a. Feasibility of Working Group on IT Audit
- b. Concept Note
- c. Scope of the Working Group
- d. Duration/ Tenure of the Working Group
- e. Frequency of meetings and mode of meeting (online or face to face)
- f. Detail of Projects along with timelines



SAI Iran responded the above-mentioned points which were circulated for the comments of the committee members.

The Secretariat informed that during 27<sup>th</sup> GBM , the President SAI Türkiye informed that proposal for establishment of Working Group on IT Audit was under consideration and modalities were yet to be finalized. Secretary General ECOSAI intimated that proposal was under consultation with other SAIs. SAI Kazakhstan informed that proposal had been sent to various forums for comments. The President of SAI Turkiye suggested that trainings and seminars on IT Audit should be arranged so that interests of the member countries may be expressed. The President ECOSAI appreciated the suggestion of SAI Turkiye. GB decided that consultation process may be completed before the next GBM.

ECOSAI Secretariat informed that the Consultative process was initiated after 27<sup>th</sup> Governing Board Meeting.

SAI Turkiye responded that as far as is known, there are Working Groups engaged in IT Audit under INTOSAI and ASOSAI. In our opinion, rather than the establishment of a specialized ECOSAI IT Audit group, the activities of these groups can be monitored by the ECOSAI Members, the outputs of these activities can be beneficial for the ECOSAI Members in this sense. Nevertheless, we would like to express our full support for the planned establishment of an IT audit group with an innovative vision inside ECOSAI and our willingness to offer any assistance needed to further this effort.

SAI Kazakhstan responded that we would like to kindly inform you that Supreme Audit Chamber of the Republic of Kazakhstan welcomes the initiative to establish the new Working Group on IT audit within ECOSAI and will be glad to participate in its activities. We also support proposal of the Turkish SAI to organize activities of the Working Group in the form of trainings and seminars.

SAI Iran responded that The Supreme Audit Court of the Islamic Republic of Iran would like to express gratitude to SAI Kazakhstan for supporting the previous proposal of SAI Iran to establish the ECOSAI Working Group on Information Technology and welcomed the proposal of SAI Turkiye to conduct workshops and training courses in the field of information technology auditing. SAI Iran also informed that SAI Iran is currently considering the establishment of a Working Group on Information Technology Audit that



will utilize artificial intelligence in public auditing, and the specialists in the Department of Technical and Auditing Affairs at SAI Iran are working on this matter, and the final results will be officially announced during the next meeting of the ECOSAI Governing Board in Tehran in September 2025.

**Outcome:** GB decided that the Chair of the working Group may invite member countries to express interest to join the working Group. The Chair may conduct survey of the member SAIs for Existing IT framework/ecosystem in audited entities. The Chair of the Working Group may formulate Terms of Reference and workplan in consultation with member countries and same may be presented before next Governing Board and Assembly for approval. Projects may be selected after reviewing the needs of SAIs and to avoid overlapping of activities with other working groups.

#### **10. Report on MoUs signed between ECOSAI member SAIs**

SAI Pakistan presented the report on MOU signed between ECOSAI member SAIs. SAI Pakistan informed that 14th Training Committee Meeting in 2014 recommended a proposal of SAI Iran for exchange of visits of a small group of experts among the member SAIs through bilateral agreements (MoUs) which was approved by the Governing Board.

- i. In pursuance of this decision, SAI Pakistan signed MoUs with SAIs of Iran (2016), Turkiye (2016) and Tajikistan (2018). SAI Iran has similar MoUs with SAIs of Turkiye and Tajikistan. SAI Kazakhstan has signed MoU with SAI of Iran.
- ii. Memorandums of Understanding were signed between SAI Tajikistan and SAI Afghanistan and between SAI Tajikistan and SAI Uzbekistan in 2021.
- iii. A Memorandum of Understanding was signed between SAI Turkiye and SAI Uzbekistan in 2022.
- iv. SAI Azerbaijan has renewed the MoU with SAI Turkiye in May 2022, in Baku, Azerbaijan.
- v. SAI Iran has concluded and signed an MoU with SAI Belarus on August 26, 2022 on the sideline of the 9th ECOSAI Assembly in 2022 in Astana- Kazakhstan.
- vi. MoU was signed between SAIs of Azerbaijan and SAI Pakistan on 03-08-2023.
- vii. SAI Kazakhstan and SAI Azerbaijan signed an updated Memorandum of Understanding in the field of bilateral cooperation in July 2024 in Baku (Azerbaijan).The MoU was signed during the official visit of the Supreme Audit Chamber of Kazakhstan to the Chamber of Accounts of Azerbaijan.



- viii. Mr. Osman KORAHAN, President of Supreme Audit Institution of the Turkish Republic of Northern Cyprus and Mr. Metin YENER, President of Turkish Court of Account signed Memorandum of Understanding (MoU) on Bilateral Cooperation between SAI Turkish Republic of Northern Cyprus and SAI Türkiye in Ankara on 29 May 2024.
- ix. SAI Türkiye and SAI of the Republic of Uzbekistan signed MoU on 28.05.2024.

The Secretariat informed that following bilateral activities are carried out under MoUs:

**Peer Review of SAI Kazakhstan:**

In the scope of the MoU signed with the SAI of Kazakhstan in 2023, in order to perform the functional review of the SAI of the Republic of Kazakhstan's activities, the SAIs of Türkiye, Lithuania and Portugal started the peer review of the Kazakhstan SAI in 2023. Following several online meetings, the first meeting held in person for the SAI of Kazakhstan's Peer Review took place between October, 3-6, 2023 in Astana, Kazakhstan, with the participation of SAIs of Türkiye, Lithuania and Portugal. During this meeting, Memorandum of Understanding on Peer Review was signed between the SAIs of Kazakhstan, Lithuania, Portugal and Türkiye.

On July 22-26, 2024, representatives from the SAIs of Lithuania, Portugal and Türkiye paid a working visit to Astana in the framework of this peer review.

**Bilateral Seminar between SAI Kazakhstan and SAI Azerbaijan**

Within implementation of the Action Plan under MoU, SAI Kazakhstan held a seminar on audit of consolidated financial statements for the employees of the SAI Azerbaijan in July 2024.

**Parallel Audit of Iğdır-Nakhichevan Natural Gas Pipeline Construction Implementation Project:**

In the scope of the MoU signed with the SAI of Azerbaijan in 2022, Meeting on the "Parallel Audit of Iğdır-Nakhichevan Natural Gas Pipeline Construction Implementation Project" was held on 29.04.2024 with the participation of Mr. Metin YENER, the President of the Turkish Court of Accounts (TCA), Mr. Vugar Gulmammadov, the President of the Azerbaijan SAI, Mr. Abdulvahit FİDAN, the General Manager of Petroleum Pipeline Corporation of Türkiye (BOTAŞ), delegations from both SAIs and the BOTAŞ General Directorate.

**Peer-Review of the Chamber of Accounts of Azerbaijan**



SAI Pakistan conducted an audit of the financial statements of the Chamber of Accounts of the Republic of Azerbaijan as of December 31, 2023. The audit report was issued and presented to Mr. Vugar Gulmammadov, Chairman of SAI Azerbaijan, during his visit to the Office of the Auditor-General of Pakistan on February 29, 2024. The presentation of the Audit Report was part of a broader agenda aimed at enhancing bilateral cooperation and exchanging best practices between the two institutions.

**Outcome:** GB approved the report on the MoUs signed between member SAIs.

#### **11. Other matters**

No other matter was discussed.

#### **12. Closing address by Dr. Davood Mohammadi, Prosecutor General Supreme Audit Court, Islamic Republic of Iran**

In his closing address, Dr. Davood Mohammadi, Prosecutor General Supreme Audit Court, Islamic Republic of Iran said that ECOSAI members should strengthen their friendly bonds with common foundations in the neighborhood and begin a new chapter of technical and specialized cooperation. This will involve utilizing new technologies in various fields, including exchanging knowledge and experiences, conducting training courses, joint audits, and similar activities.

#### **13. Closing address by Mr. Alikhan Smailov, Chairman of the Supreme Audit Chamber of the Republic of Kazakhstan**

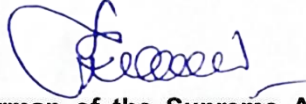
In his closing address, Mr. Alikhan Smailov, Chairman of the Supreme Audit Chamber of the Republic of Kazakhstan thanked all the delegates for their active participation and contribution in the 28<sup>th</sup> Governing Board Meeting.



Signed :



- i. **Dr. Davood Mohammadi, Prosecutor General Supreme Audit Court, Islamic Republic of Iran**



- ii. **Mr. Alikhan Smailov, Chairman of the Supreme Audit Chamber of the Republic of Kazakhstan**



- iii. **Mr. Muhammad Ajmal Gondal, Secretary General of ECOSAI/ Auditor-General of Pakistan**



- iv. **Mr. Ahmet Tezcan, Deputy President of the Turkish Court of Accounts, Turkiye**



- v. **Mr. Pardali Batirov, Auditor, Member of the Council of the Chamber of Accounts of the Kyrgyz Republic**

