

# 1ST MEETING OF WGEI PRESENTATION ON: “MAPPING SURVEY RESULTS.”

**VENUE: KAMPALA SERENA HOTEL, UGANDA**

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 **INTOSAI**  
**WGEI**  
Working Group on Audit of Extractive Industries

 **OAG**  
Office of the Auditor General

 **german**  
cooperation  
DEUTSCHE ZUSAMMENARBEIT

 **giz** Deutsche Gesellschaft  
für Internationale  
Zusammenarbeit (GIZ) GmbH

# Presentation outline

- Introduction
- Objectives of the survey
- Methodology used in the survey
- Survey results
- Issues arising from the results
- Way forward

# Introduction:

- SAI Uganda was appointed to chair the working group on audit of extractive industries in the XXI INCOSAI, Beijing China, 2013
- 30 SAIs registered to be members of working group
- SAI Uganda did not have basis for understanding member SAI expectations of the new WGEI.
- SAI Uganda lacked clear baseline data which could be used in future to measure progress of WGEI over the years
- There was no clear basis for generating draft Terms of Reference(TOR) and activity plan

# WGEl member SAIs

1. SAI Uganda
2. SAI India
3. SAI Norway
4. SAI Kenya
5. SAI China
6. SAI Vietnam
7. SAI Lithuania
8. SAI Iraq
9. SAI Estonia
10. SAI Georgia
11. SAI Ecuador
12. SAI Kyrgyz
13. Sierra Leone
14. SAI Zambia
15. SAI Brazil
16. SAI Argentina
17. SAI Cyprus
18. SAI Mongolia
19. SAI Indonesia
20. SAI Swaziland
21. SAI Philippines
22. SAI Rwanda
23. SAI Niger
24. SAI South Sudan
25. SAI Lao PDR
26. SAI Netherlands
27. SAI Nigeria
28. SAI Tanzania
29. SAI Ghana
30. SAI South Africa

## OBSERVER MEMBERS

1. IDI
2. AFROSAI-E

# Objectives of survey

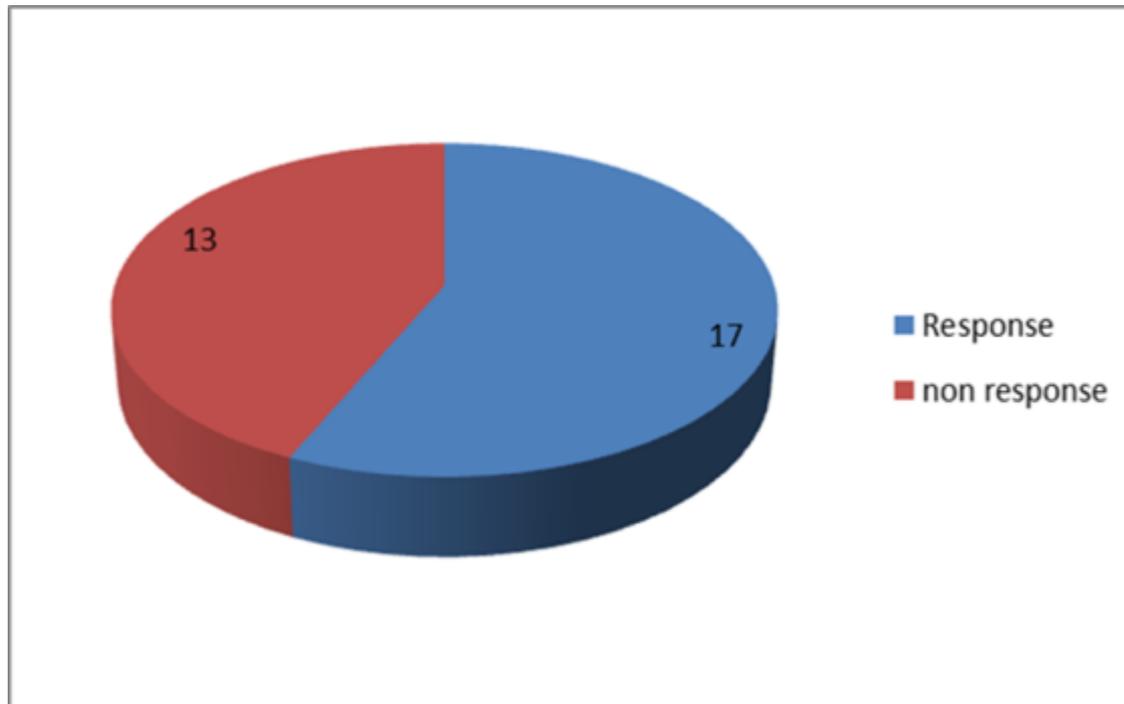
- To understand the status of member SAI in regards to audit in Extractive Industries
- To inform the drafting of TOR and activity plan for members consideration in their 1st meeting
- To provide baseline data for measuring progress of WGEI over the years
- To provide basis for Chair WGEI to gauge member SAI expectations of the WGEI.

# Methodology used

- Questionnaires developed itemized into seven parts
- Survey was circulated by e-mail using known e-mail addresses of the 30 member SAIs
- Responses received by mail
- This responses were then analyzed

# Results of the survey

- Respond rate was 57%

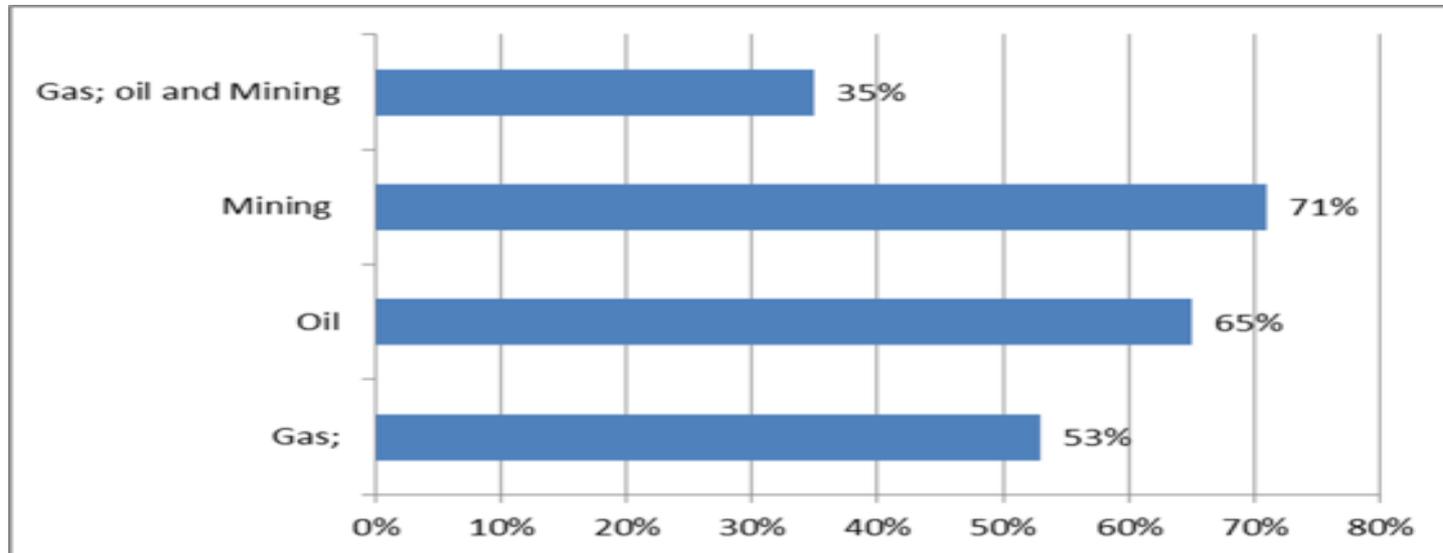


# Areas in which SAIs are Mandated to audit

- All 17 countries say they have some laws governing extractive industries.
- 88% of SAIs confirm they have all the mandate while others either audits some aspects while others do not audit completely.

# Results continued

- ❖ Level of involvement of SAIs: 83% of respondent SAIs indicated they are involved in Extractive Industries audit
- ❖ Type of extractive industry their Countries are engaged in:



# Results of the survey

❖ Type of audit of Extractive industry the SAIs are involved in:

- |                     |     |
|---------------------|-----|
| ➤ Financial audit   | 47% |
| ➤ Compliance audit  | 41% |
| ➤ Performance audit | 41% |

# Results continued

Type of regulations extractive agreements engaged in:

- |  |     |
|--|-----|
| <input type="checkbox"/> Production Sharing Agreements | 35% |
| <input type="checkbox"/> Contracts                     | 65% |
| <input type="checkbox"/> Action licensing              | 59% |

# Results continued

## Publicity of SAI audit reports on Extractive Industries:

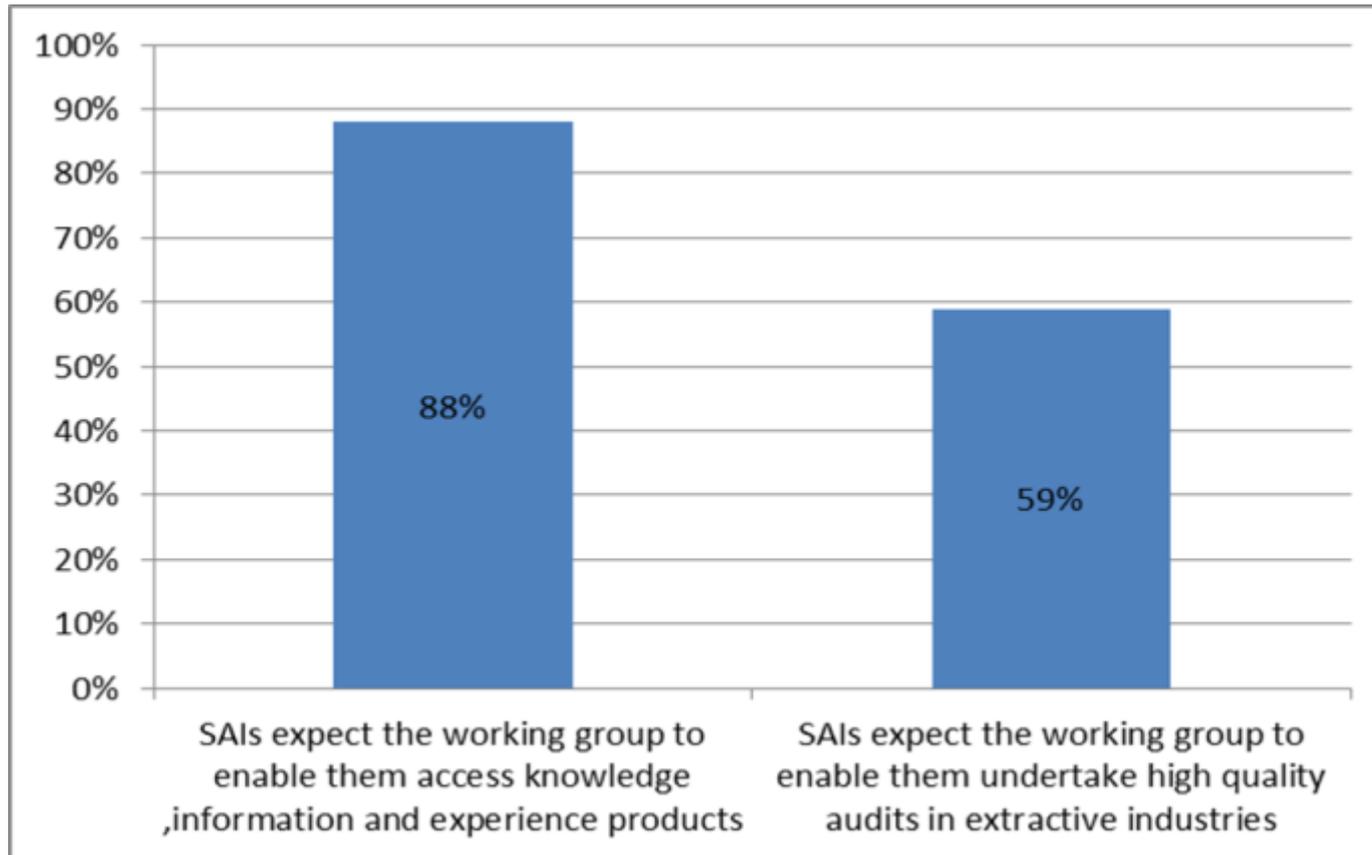
- Only 29% do not publish audit reports on extractive industries.
- Only 29% do not share information publicly on their website.

# Results: Challenges

- 71% of SAIs have challenges in areas of capacity in technical nature of the industry, Human resource, etc.
- 18% of SAIs has challenges as regards lack of information due to confidentiality nature of agreements with private firms
- 24% of SAI complain of lack of transparency by private firms engaged in extractive industries
- 6% of SAIs say absence of good and uniform methodology is a challenge.

# Results continued

In terms of the survey providing basis to gauge member expectations of benefit from WGEI.



# What these results mean?

Member SAIs appear to indicate the following:

1. Significant number of SAIs are already involved in audit of Extractive industries
2. There is overwhelming urge to share knowledge on extractive industries which are in some domains but lacking in the other such there is need to involve a wider community beyond SAI members.
3. Significant demand to build capacity of SAIs in Extractive industries

**THANK YOU FOR THE ATTENTION**