



## **Recover Forward: The Role of Supreme Audit Institutions in Fostering Resilient and Sustainable Recovery Processes**

As a federally owned enterprise, GIZ supports the German Government in achieving its objectives in the field of international cooperation for sustainable development.

**Published by:**  
Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH

Registered offices  
Bonn and Eschborn, Germany

Friedrich-Ebert-Allee 32 + 36  
53113 Bonn  
T +49 228 4460-0  
F +49 228 4460-17 66

Dag-Hammarskjöld-Weg 1-5  
65760 Eschborn  
T +49 61 96 79-0  
F +49 61 96 79-11 15

E [info@giz.de](mailto:info@giz.de)  
I [www.giz.de/en](http://www.giz.de/en)

**Author:**  
Inga Sinjikashvili

**Editor:**  
GIZ Sector Programme "Good Financial Governance"  
GIZ Sector Project "2030 Agenda for Sustainable Development,  
Reducing Poverty and Inequality"

**Design/layout:**  
DIAMOND media GmbH, Neunkirchen-Seelscheid

**Photo credits:**  
AdobeStock.de, Pixelbliss/Shutterstock, Andrzej Rostek/Shutterstock

Bonn 2022

# Abbreviations

AFROSAI-E	African Organisation of English-speaking Supreme Audit Institutions
AI	Artificial Intelligence
CBD	United Nations Convention on Biological Diversity
ECA	European Court of Auditors
ECOSOC	Economic and Social Council
GDC	German development cooperation
GIS	Geographic Information Systems
GPS	Global Positioning System
GRID	Green, Resilient, and Inclusive Development
IDI	INTOSAI Development Initiative
INTOSAI	International Organisation of Supreme Audit Institutions
ISAM	IDI SDG Audit Model
OECD	Organization for Economic Co-operation and Development
OLACEFS	Organisation of Latin American and Caribbean Supreme Audit Institutions
PEFA	Public Expenditure and Financial Accountability
PFM	Public Finance Management
SAI	Supreme Audit Institution
SDGs	Sustainable Development Goals
TAI	Transparency, Accountability, and Inclusiveness
UN	United Nations
WGEA	Working Group on Environmental Auditing's
WHO	World Health Organisation



## Table of contents

Abbreviations.....	3
Background.....	5
<b>1. Recover Forward – A Path to a Sustainable and Resilient Future .....</b>	<b>6</b>
<b>2. How can SAIs contribute to Recover Forward?.....</b>	<b>8</b>
2.1 Environmental Dimension of Sustainability: Long-term Risks and Effects in the Spotlight.....	9
2.2 Economic Dimension of Sustainability: Supporting Sustainable Economic Recovery.....	11
2.3 Social Dimension of Sustainability: Mainstreaming Resilience and Inclusiveness .....	14
2.4 Advanced Technologies for Public Sector Auditing .....	16
<b>3. Concluding remarks.....</b>	<b>17</b>
References.....	19

## List of boxes

Box 1: SAIs role in advancing Environmental Governance.....	10
Box 2: Fostering Policy Coherence .....	12
Box 3: Promoting Integrity.....	13
Box 4: Strengthening Accountability for Inclusiveness .....	15

# Background

The COVID-19 pandemic provides an opportunity for a sustainable and resilient recovery that promotes the economic, social, and environmental dimensions of sustainable development. The COVID-19 pandemic is far more than a health crisis: it is affecting societies and economies at their core. It has exposed stark global inequities, fragilities, and non-sustainable practices, as well as undermined the progress made in the realisation of the 2030 Agenda and the achievement of the Sustainable Development Goals (SDGs). At the same time, COVID-19 provides an opportunity to reinforce the commitments and efforts of the 2030 Agenda and the Paris Agreement for building more inclusive and sustainable economies and societies that are resilient in the face of pandemics, climate change and other global challenges.

Supreme Audit Institutions (SAIs) are uniquely placed to support sustainable and resilient recovery. SAIs are independent national oversight bodies responsible for auditing governments' revenue and spending. SAIs can support governments' response mechanisms and recovery actions through maintaining public financial management discipline and helping to ensure transparency and accountability as well as the performance of governments in using public funds efficiently and effectively. SAIs can identify improvement opportunities and provide constructive recommendations to enable effective decision-making.

This paper highlights important considerations with respect to the value added by SAIs in fostering recovery processes in response to the COVID-19 pandemic. With this in mind, it aims at informing approaches of German development cooperation taking a path towards recovering forward.



1

RECOVER FORWARD  
– A PATH TO A  
SUSTAINABLE AND  
RESILIENT FUTURE

How to best shape and configure a sustainable COVID-19 pandemic recovery process has been at the forefront of discussion of the international community. The United Nations (UN) Economic and Social Council (ECOSOC) recommends economic, social, and environmental strategies that countries could consider, with a view to promoting a sustainable and resilient recovery from the COVID-19 pandemic. Simultaneously, these strategies aim at achieving the 2030 Agenda in the context of the decade of action and delivery for sustainable development as declared in 2020 (ECOSOC, 2021). ECOSOC highlights the importance of pursuing a more sustainable and inclusive economic recovery by directing resources towards planet-friendly economic recovery measures, building robust and universal healthcare and social protection systems. It, further draws attention towards protecting the planet by fostering the progress of regeneration of nature and accelerating the process of decoupling economic growth from environmental degradation, including further increases in CO<sub>2</sub> emissions.

The Organization for Economic Co-operation and Development (OECD) underlines that recovery policies need to trigger investment and behavioural changes that will reduce the likelihood of future shocks and increase society's resilience when they do occur. Central to this approach is a focus on well-being and inclusiveness. Other key dimensions for assessing, for example, whether economic recovery packages can "build back better" include alignment with long-term emission reduction goals, factoring in resilience to climate impacts, slowing biodiversity loss and increasing circularity of supply chains. The OECD proposes using the SDGs as a framework to guide the recovery from the COVID-19 pandemic. The SDGs encompass economic, social, and environmental ambitions that aim at transforming the systemic conditions that perpetuate the vulnerabilities of our societies and economies.

Green, Resilient, and Inclusive Development (GRID) is at the centre of the World Bank's resilient recovery policy that aims to tackle rising poverty and deepening inequality while addressing both the immediate devastation wrought by the COVID-19 pandemic and the longer-term challenge resulting from climate change.

In line with the overall spirit of the international community, German development cooperation (GDC) is committed to taking a path towards recovering forward and supporting the transition from crisis to sustainable change by means of green and social investments.

# 2

HOW CAN SAIS  
CONTRIBUTE  
TO RECOVER  
FORWARD?



**As protectors and promoters of sustainability, SAls can play a critical role in contributing to Recover Forward.**

One of the key reform priorities of GDC policy for sustainable development is good governance and public finances. SAls are core actors that can promote good governance and efficient spending of public finances, when governments will move from pandemic response to recovery. By providing evidence about what works

and what does not, SAls can help to ensure policy responses account for inclusiveness, resilience and sustainability. SAls can contribute to effective policy-making and strengthen accountability for progress on environmental, economic and social dimensions of sustainable development.

## 2.1 Environmental Dimension of Sustainability: Long-term Risks and Effects in the Spotlight



SAls can build on approaches they have developed through the auditing of government policies, especially by evaluating environmental governance and SDG implementation. They take a long-term view on recovery measures and examine governments' preparedness for future environmental and climate crises. The pandemic has turned the spotlight on the interconnection of well-being of people and the well-being of nature, and emphasised the importance of saving the planet from a looming environmental catastrophe. Independent external audits have an even more important role to play in tackling environmental challenges such as climate change and biodiversity loss. SAls can focus on long-term value-for-money issues and examine the implementation of governments' commitments under the Convention on Biological Diversity, the Paris Agreement and the 2030 Agenda to highlight shortfalls and risks. They can make recommendations that prompt mutual learning about what works and encourage rapid improvements where necessary.

**SAls should draw on their unique set of strengths to help assess whether climate or biodiversity protection**

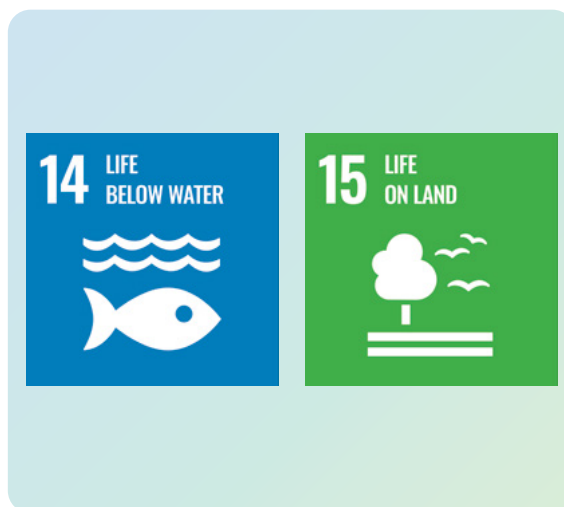
**ambitions are translated into effective actions.** Along with holding governments to account for how public money is used to achieve environmental goals, SAls can test the realism of governments' delivery plans and examine whether governments have a framework, which is likely to support long-term success, such as tools for monitoring progress and coordination across government bodies. Reductions of greenhouse gases as well as policies on national protected areas were the most audited areas of climate and biodiversity in 2019–2021 worldwide<sup>1</sup>. SAls have audited the economy, efficiency, and effectiveness of climate change mitigation policies and assessed the central coordination of mitigation measures. They have also evaluated the efficiency and effectiveness of public policies and their contribution to the achievement of biodiversity targets (see examples in Box 1). According to the INTOSAI Working Group on Environmental Auditing's (WGEA) work plan 2020–2022, SAls will increase their efforts in the coming years to audit climate change adaptation and

<sup>1</sup> INTOSAI WGEA Bulletin (2021).

evaluate financial and fiscal tools related to climate.<sup>2</sup> Based on the global INTOSAI WGEA survey conducted in 2021<sup>3</sup>, the WGEA recommends that public auditing should consider the long-term perspective and the nexus areas between climate, biodiversity, land, water, health, and disaster resilience.

2 An ongoing project of INTOSAI WGEA on international climate finance (to be released in 2022) provides audit approaches for SAIs from donor and recipient countries—specifically, by identifying potential audit criteria and developing a roadmap for designing a series of audits to paint a picture of climate finance progress in an individual country.

3 See footnote 1.



## Box 1: SAIs role in advancing Environmental Governance

The European Court of Auditors (ECA) audited the use of environmental and climate data. The Court of Auditors concluded that EU emission data were reported appropriately, but that better insight into future greenhouse gas emission reductions was required. The long-term sectoral roadmaps covered almost 70% of the reported emissions, with the exception of agriculture and forestry, where no specific roadmaps were available. The ECA has noted that the EU Commission should develop detailed plans on how to maximize the contribution of agriculture and forestry to emission reduction targets as the EU spends more than 40% of its budget on agriculture, including forest management measures. The ECA reported that €100 billion of the common agricultural policy funds attributed to climate action had not contributed to reducing greenhouse gas emissions from farming during 2014–2020. Supported measures have only low climate-mitigation potential, and the system does not incentivise the use of effective climate-friendly practices in agriculture.

SAI Canada audited progress towards fulfilling the G20 commitment to phase out inefficient fossil fuel subsidies. Overall, the audits found that there was no clear definition of what could be considered an

inefficient fossil fuel subsidy, and that there was no consideration of economic, social, and environmental sustainability in subsidising the fossil fuel sector over the long term.

17 SAIs of Latin America and Europe have provided a regional panorama and a comprehensive evaluation of the effectiveness of the implementation and management of 2,415 protected areas. The objectives of the coordinated audit supported by the Organization of Latin American and Caribbean Supreme Audit Institutions (OLACEFS) and GIZ were to assess the level of implementation and management of protected areas in participating countries. Further objectives included the evaluation of the contribution of national protected area policies to the achievement of SDG 14 (life below water) and SDG 15 (life on land), as well as Aichi Biodiversity Target 11 within the framework of the United Nations Convention on Biological Diversity (CBD). The audit recommendations will help governments to improve public use of protected areas, e.g., through establishing strategic mechanisms for ecological/natural tourism in protected areas, as well as public participation in management committees of protected areas, and better monitoring of biodiversity.

## 2.2 Economic Dimension of Sustainability: Supporting Sustainable Economic Recovery



### 2.2.1 Fostering Coherence of Recovery Funding

SAIs can foster coherence of economic recovery funding and alignment of economic stimulus spending with the governments' commitments on climate change, biodiversity protection and SDG implementation. Especially now, when governments are planning and implementing major economic stimulus packages, the coherence of recovery funding and green, climate-friendly funding is a fundamental precondition for a sustainability transition. The lack of coherence would be a lost opportunity for both current and future generations. SAIs can foster integrated and coherent policy-making and help governments to ensure that economic recovery does not stray from the shared global compass of sustainable development. To promote policy coherence, SAIs can evaluate economic recovery programmes and packages through the lens of SDG audits or performance auditing. This can include environmental audits that apply SDG audit approaches such as evaluations of the "whole

of government", "whole of society" and "leave no one behind" principles of sustainable development.

The COVID-19 pandemic has exposed new tensions and trade-offs among policy areas and exacerbated already existing tensions. It has revealed problems, such as, the lack of policy integration and policy coherence within and across sectors as well as across horizontal and vertical levels of government. Through examining interconnected and boundary-spanning issues, SAIs can foster the breaking down of sectoral silos across the government, which will be pivotal for the effective implementation of economic recovery packages. Box 2 provides examples on how SAIs helped governments to ensure policy coherence in the expansion of renewable energies in the electricity sector, circular economy, and sustainable food production.



## Box 2: Fostering Policy Coherence

With the support of GIZ, 12 SAIs of OLACEFS have evaluated public policies in place to achieve commitments for the expansion of renewable energies in the electricity sector, especially with regard to the achievement of the SDGs and the Paris Agreement. The SAIs have analysed investments in infrastructure for the generation of sustainable electrical energy (water, wind, solar, biomass, tidal, etc.) and possible existing barriers to the insertion/expansion of this infrastructure. They focussed among others on aspects related to operational challenges, regulatory issues, subsidies and promotion policies, energy security, energy prices and tariff modulation. The audit encouraged governments to improve environmental policy coordination and to embark on the development of robust public policy and legislation that will be relevant for the post-pandemic economic recovery.

SAI India has evaluated the role of waste pickers in the circular economy of India. India is estimated to have 1.5–4 million waste pickers, which form a critical role in the recycling value chain providing benefits to society, the environment, and the economy. SAI India found that challenges faced by waste pickers were skill gaps, supply demand inconsistencies, occupational hazards, low wages,

gender discrimination, and quality control of the production. SAI India has recommended to recognise waste pickers, formalise the informal sector (registration of waste pickers) and to enhance the social position of waste pickers through integrating a coherent policy approach in respect of implementing SDG 1 (generate income to marginalised sections of society), SDG 8 (add value to economy by transforming waste to tradable goods) and SDG 13 (less carbon emissions by avoiding incineration of waste and use of virgin raw materials).

A coordinated audit of government preparedness to implement SDG target 2.4 (sustainable food production systems) provided recommendations to governments of Latin American countries to ensure food security through policy coherence and coordination among various sectors. Within the coordinated audit on the SDG target 2.4 that was conducted by 11 SAIs of OLACEFS with the support of GIZ, SAI Brazil found that while the government of Brazil was supporting organic food production, it still provided a tax relief for the use of pesticides in agriculture. The audit highlighted that the policies could contradict each other, and that the government needs to improve coordination and policy coherence in order to achieve SDG 2.4.

### 2.2.2 Promoting Good Governance and Sound Public Financial Management (PFM)

SAIs should help to ensure transparency and accountability, as well as the governments' performance in using public funds efficiently and effectively in order to support long-term economic recovery. The impact of the COVID-19 pandemic puts enormous pressure on public resources; the implementation of economic, environmental, and social strategies fostering a recovery forward will therefore rely on good governance and sound PFM. SAIs are essential in holding governments to account for how transparent and efficient they spend and allocate scarce public resources.

- i) By implementing recovery plans, SAIs can assist governments to ensure integrity in public procurement processes and strengthen existing public integrity systems in public organisations. The response to unprecedented economic and social effects towards Recover Forward is heavily dependent on available finance. The crisis creates risks for integrity violations and could intensify fraud and corruption, particularly in public organisations and public procurement. Public procurement is an integral part of an effective public administration and public financial management is one of the key means by which public money will be spent for a sustainable recovery. Independent external audits will contribute to preventing fraud and corruption in the COVID-19 pandemic recovery process. Emergency procurement could be a subject of

an external audit to identify key systemic corruption risks that can help governments to mitigate them in the future where appropriate by the adjustment of respective legislation, rules, and procedures (see Box 3). Through audits, SAIs can help public organisations to review and strengthen existing public integrity systems in public organisations, improve core internal controls, leverage and improve digital tools to promote integrity and accountability.

- ii) **SAIs can be a catalyst for continual improvement in PFM that will be vital to achieving impact in line with Recover Forward.** There will be a greater need to ensure that PFM systems are configured as systems that enable resilience as well as climate and equity responsive sustainable development. Deploying novel budgeting approaches help governments to plan, design, evaluate and oversee budgetary policies targeted at specific outcomes<sup>4</sup>. These approaches include the so-

4 OECD (2019), Budgeting for outcomes; IMF Climate Notes (2021), Climate-Sensitive Management of Public Finances-“Green PFM”.

### Box 3: Promoting Integrity

SAI Palestine has acted as an observer in procurement committees created in line ministries during the pandemic.

SAI Indonesia reported that traditional ex post oversight work has been increasingly complemented by insight work (studies of government responses, identification of risks of fraud and non-compliance) and foresight (to help governments identify scenarios, opportunities, and challenges). The SAI has positioned itself as “the government’s trusted friend”.

called priority-based budgeting, which seeks to mainstream specific priorities into PFM practices such as climate, gender, well-being and SDGs. SAIs can contribute to redesigning and adapting the PFM practices, systems, and frameworks – especially the budget process through:

The comprehensive evaluation<sup>5</sup> of PFM systems and processes, and the identification of improvement opportunities by the planning, execution and assessment of priority-based budgeting including, for instance, green, gender, or SDG budgeting;

The PFM Reporting Framework, developed by African Organisation of English-speaking Supreme Audit Institutions (AFROSAI-E) and the GIZ Programme “Good Financial Governance in Africa” serves as a good example of how SAIs can assess the overall functionality of PFM systems that support the implementation of priority areas, for example, SDGs.

Assessing whether the government’s spending programmes contribute to the climate-related measures and how the governments are tracking climate-related expenditure.

The European Court of Auditors has recommended the EU to reconsider the climate tracking methodology to gain a better understanding of the contribution of each spending programme to the minimum expenditure on climate-related measures.

The examination of the execution of the governments’ environmental spending and the validation of spending impacts.

SAI Italy validates along with the budget execution document the government’s eco-budget execution report. It illustrates the rate of execution by each type of environmental protection and resource management spending per ministry. The SAI provides the audit report to the parliament along with its audit report on state budget execution.

5 Similar to new supplementary assessment tools of the Public Expenditure and Financial Accountability (PEFA) framework such as PEFA Climate, Gender PEFA, PEFA service delivery module, PEFA indicator PI 1 for monitoring SDG 16.6.1 (built effective accountable and inclusive institutions at all levels).



## 2.3 Social Dimension of Sustainability: Mainstreaming Resilience and Inclusiveness



### 2.3.1 Promoting Governments' Resilience

SAIs should promote the governments' preparedness and resilience to future potential systemic and covariate shocks. The COVID-19 pandemic emphasised the importance of government resilience – the capacity to absorb shocks, adapt, and then quickly thrive in an altered environment. To ensure business continuity, it is highly important that governments are prepared and resilient to future potential disasters and shocks. SAIs should foster strengthening government resilience by evaluating crisis tolerance and preparedness of governments.

Through the assessment of resilience of national public health care systems SAIs may contribute to government efforts at creating a better policy environment for resilient healthcare in the recovery period. With support from GIZ, the INTOSAI Development Initiative (IDI) in cooperation with the World Health Organisation (WHO) and other key stakeholders are supporting a cooperative audit of 40 SAIs that aims to examine government efforts to strengthen capacities for early warning, risk reduction and management of national and global health risks (SDG target 3.d). The findings and recommendations of performance audits of health and social care can foster governments to develop standard emergency preparedness principles and activities not only for the health sector but also for other public service areas such as education, social and emergency services. These findings and recommendations can, for example, deal with the overall performance, capacity, test and trace, procurement of key supplies and recruitment of medical personnel.

### 2.3.2 Supporting Accountability for Inequalities

SAIs can help to move forward in accountability for inequalities. The COVID-19 pandemic has had a disproportionately severe impact on women, girls, and vulnerable groups, exacerbating inequality and reversing progress towards empowering women and girls to achieve their full potential. SAIs can help reverse this trend. By integrating an inclusiveness lens into audit work, SAIs can assist governments in ensuring all three dimensions of Recover Forward, reflecting the needs and voices of women, girls, and vulnerable groups.

SAIs should leverage SDG and Transparency, Accountability, and Inclusiveness (TAI) audit tools<sup>6</sup> to support mainstreaming inclusiveness along the economic, social, and environmental dimensions of sustainability for Recover Forward. Inclusiveness is the central transformative promise of sustainable development and the 2030 Agenda. Promoting gender equality is also one of the key principles of the Paris Agreement. Numerous SAIs have recently applied a gender dimension and the "leave no one behind" principle in audits, especially in auditing the 2030 Agenda and SDG implementation. Other SAI Initiatives relate to auditing gender equality impacts of climate finance as well as examining governments' response to COVID-19 crisis to ensure that public spending is planned and allocated with inclusiveness in mind (see Box 4).

6 INTOSAI Guidances: IDI KSC Guidance on auditing preparedness for SDG implementation and IDI SDG Audit Model (ISAM) as well as TAI audits practical guide provide guidelines for auditing inclusiveness.

## Box 4: Strengthening Accountability for Inclusiveness

Latin American governments were evaluated regarding their readiness to implement SDG 5 on gender equality as part of an Ibero-American audit coordinated by 17 SAIs of OLACEFS and SAI Spain. The SAIs' recommendations to governments in respect of adopting SDG 5 to the national context, identification of means of implementation and establishing mechanisms for reporting on implementation progress ensure that vulnerable groups are considered in the government's priorities, its monitoring and reporting frameworks. For example, in Chile, several institutions approved gender policies and improved internal procedures for planning and follow-up of SDG 5 implementation.

SAI Finland has examined the impact of international climate finance projects of Finland on the status of women and girls in the partner countries as climate finance is one of the main instruments for

fulfilling the gender equality commitments of climate conventions. SAI Finland audited how gender equality was addressed by the planning and implementation of climate finance projects and how the projects' gender impact has been assessed and monitored. The audit results will help policymakers to understand the structures that create and maintain gender equality when targeting and implementing climate finance projects.

A new compliance audit tool – Transparency, Accountability, and Inclusiveness audits<sup>7</sup> (TAI audits) – on the use of emergency funding for COVID-19 enables SAIs to focus on the inclusiveness of governments' interventions and socio-economic packages. SAIs worldwide have taken up TAI audits, which can shed light on whether legislative and regulatory frameworks account for inequalities and if existing safeguards are complied with.

<sup>7</sup> Besides inclusiveness, TAI audit is a tool that enables SAIs to audit also emergency procurement and public spending transparency during crises.



## 2.4 Advanced Technologies for Public Sector Auditing



SAIs should implement data science in audits and strengthen capacities of auditors who can employ data analytics, Artificial Intelligence (AI) tools, and advanced qualitative methods to ensure remote and agile auditing in the Recover Forward process. The pandemic has provided opportunities for SAIs to move towards more agile audit approaches, including conducting real-time audits, i.e., taking up audits of

fast emerging issues, completing the audit in a short time frame and issuing the report promptly. The agile auditing will contribute and enhance the timeliness and effectiveness of governments' decision making on the challenging path to sustainable recovery. SAIs in different countries have used digital technologies to conduct agile audits remotely:

Through data analytics SAIs evaluate the impact of government support measures on the most affected by the crisis.

SAI Estonia piloted an extensive data analytics audit examining the impact of support measures to mitigate the consequences of the COVID-19 pandemic. The SAI combined massive amounts of data from the tax office and the implementing entities. This was possible due to the extensive digitalization and strong interoperability of the public sector in Estonia, which allows auditors to easily obtain information. The audit found that, with some minor exceptions, the measures had been effective in reaching those most affected by the crisis.

AI served as a helpful tool to be integrated into audit practices to prevent corruption in public procurement during the emergency response.

Recently, SAI Costa Rica has used AI to audit public procurement of goods and services. AI can ease the auditing process as it helps performing many time-consuming tasks more efficiently. Through a variety of analyses, AI tools identify patterns and exceptions for further investigation by human auditors and increase the possibilities for remote auditing. Traditional audit methods were labour intensive and did not permit SAI Costa Rica to audit all high-risk contracts. By contrast, the use of AI has allowed the SAI to more efficiently detect contracts with significant deviations in scope, cost, and time. This makes AI an effective corruption-prevention tool that could potentially be applied to a range of other areas.

Geo-spatial technology such as remote sensing, Geographic Information Systems (GIS), and Global Positioning System (GPS) enable SAIs to collect audit evidence remotely.

SAI Indonesia has conducted an audit on forestry management. The SAI wanted to know whether illegal deforestation occurred in national parks, conservation areas, wildlife reserves, and protected forests. To be able to answer these questions, SAI Indonesia used geo-spatial technologies to gather data on forest zone determination, the condition of forests, the administrative boundaries of districts and forest areas/zones, and production activities.



3

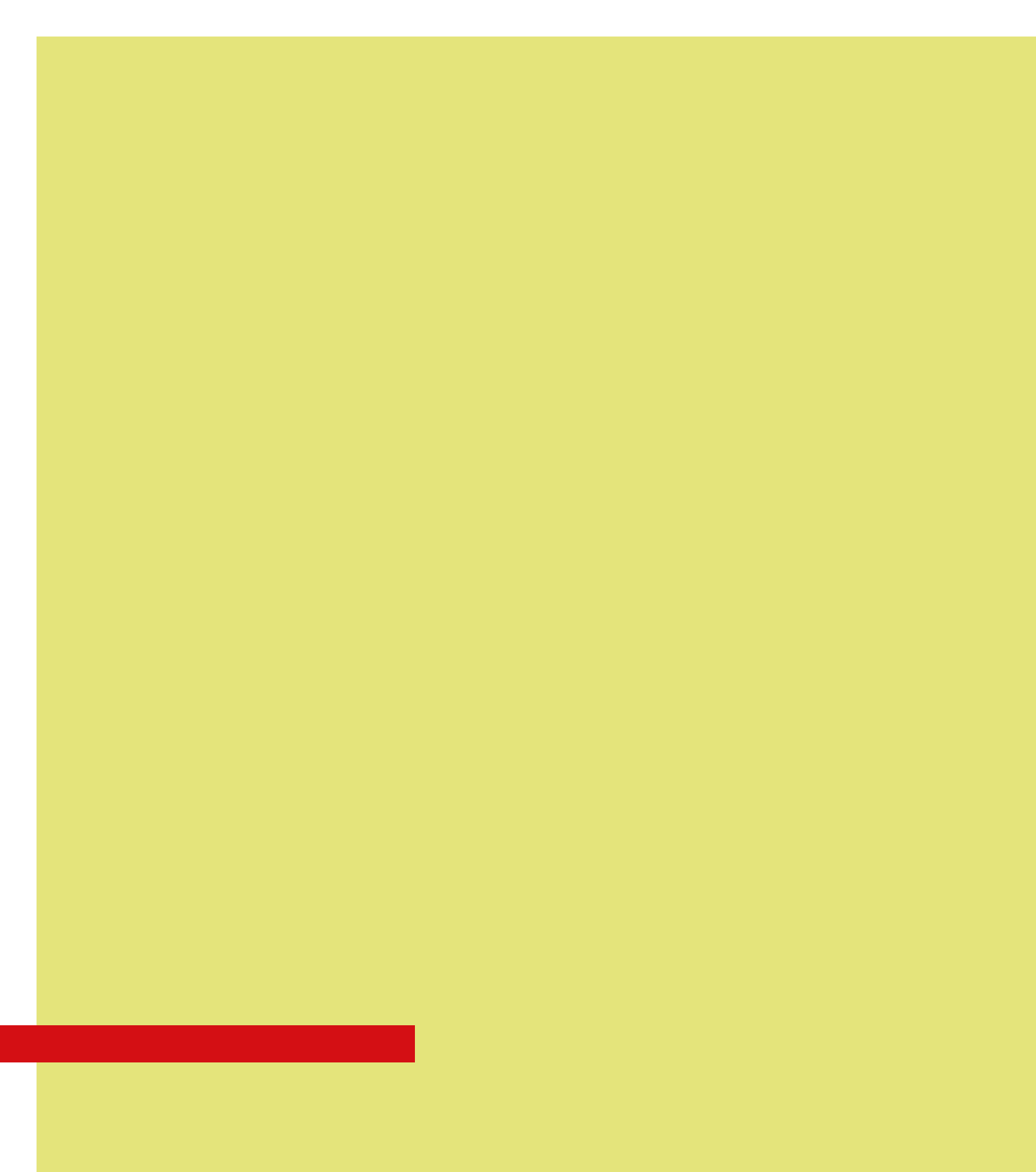
CONCLUDING  
REMARKS

SAls can promote transparency, accountability, and effectiveness of public spending in line with Recover Forward through independent evaluations, assurance, and advice. The recovery process will be a significant challenge but also a unique opportunity to advance environmental, economic, and social dimensions of sustainable development. SAls, which are at the forefront of overseeing the transparency, accountability and effectiveness of governments' policies and measures, can make an impact by contributing to GDC efforts assisting partner countries to Recover Forward, to accelerate action on climate change and biodiversity loss, to bolster efforts for planet friendly economic recovery and to advance social security and inclusiveness. SAls should do this by using their unique set of strengths such as independent evaluations, assurance and advice. In addition to traditional audit approaches, SAls should prioritise SDG and environmental audits, implement agile and real-time auditing as well as integrate data analytics and AI tools in the audit process. Through focusing on prerequisites for future changes, SAls can add value to rebuilding and sustainable recovery.



# References

- ECA (2020). Climate Change and Audit, [https://www.eca.europa.eu/Lists/ECADocuments/JOURNAL20\\_02/JOURNAL20\\_02\\_EN.pdf](https://www.eca.europa.eu/Lists/ECADocuments/JOURNAL20_02/JOURNAL20_02_EN.pdf).
- IDI (2020). Accountability in a time of crisis, <https://www.idi.no/elibrary/covid-19/986-accountability-in-a-time-of-crisis/file>.
- IDI (2021). TAI audits – a practical guide for Supreme Audit Institutions, <https://www.idi.no/elibrary/professional-sais/tai-audit/1212-tai-practical-guide/file>.
- IDI KSC (2018). A Guidance for Supreme Audit Institutions – Auditing Preparedness for Implementation of Sustainable Development Goals, <https://www.idi.no/elibrary/relevant-sais/auditing-sustainable-development-goals-programme/807-auditing-preparedness-for-implementation-of-sdgs-a-guidance-for-supreme-audit-institutions-version-0-english/file>.
- IMF Climate Notes (2021). Climate-Sensitive Management of Public Finances-“Green PFM”, <https://www.imf.org/en/Publications/staff-climate-notes/Issues/2021/08/10/Climate-Sensitive-Management-of-Public-Finances-Green-PFM-460635>.
- INTOSAI WGEA (2021). Bulletin, <https://www.environmental-auditing.org/media/117578/wgea-cop26-bulletin-18-11-2021.pdf>.
- ISAM, (2020). IDI’s SDGs Audit Model, <https://www.idi.no/elibrary/relevant-sais/auditing-sustainable-development-goals-programme/isam/1089-isam-idi-s-sdg-audit-model/file>.
- NAO Finland (2021). Performance audit report – Finland’s International Climate Finance, [https://www.environmental-auditing.org/media/117567/naof-audit-6-2021-finlands-international-climate-finance\\_steering-and-effectiveness.pdf](https://www.environmental-auditing.org/media/117567/naof-audit-6-2021-finlands-international-climate-finance_steering-and-effectiveness.pdf).
- OECD (2019). Budgeting for outcomes, <http://www.oecd.org/gov/budgeting/performance-results-meeting-2019.htm>.
- OLACEFS (2019). Ibero-American coordinated audit on sustainable development goal 5: Gender equality, <https://www.olacefs.com/wp-content/uploads/2019/09/REPORT-SDG-5.pdf>.
- OLACEFS (2021). Coordinated audit on protected areas, [https://intosai-cooperativeaudits.org/catalog/report/coordinated-audit-on-protected-areas-2nd-edition-executive-summary?fbclid=IwAR2ep-Byqn-L\\_YetuUM\\_yi7H6Lsg-DqRL7wEFPT-BoypqnlzGwvKpLo7Ay1l](https://intosai-cooperativeaudits.org/catalog/report/coordinated-audit-on-protected-areas-2nd-edition-executive-summary?fbclid=IwAR2ep-Byqn-L_YetuUM_yi7H6Lsg-DqRL7wEFPT-BoypqnlzGwvKpLo7Ay1l).
- PEFA Climate (2020). Climate responsive public financial management framework, <https://www.pefa.org/resources/climate-responsive-public-financial-management-framework-pefa-climate-piloting-phase>.
- PEFA Gender (2020). Supplementary framework for assessing gender responsive public financial management, [https://www.pefa.org/sites/pefa/files/news/files/WBG\\_GRPFM\\_FRAMEWORK\\_1\\_23\\_PAGES.pdf](https://www.pefa.org/sites/pefa/files/news/files/WBG_GRPFM_FRAMEWORK_1_23_PAGES.pdf).
- UN/INTOSAI 25th Symposium (2021). Report, [https://www.intosai.org/fileadmin/downloads/news\\_centre/events/un\\_int\\_symposia/reports\\_un\\_int\\_symp/en/EN\\_25\\_Symp\\_2021\\_report.pdf](https://www.intosai.org/fileadmin/downloads/news_centre/events/un_int_symposia/reports_un_int_symp/en/EN_25_Symp_2021_report.pdf).



Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH

Registered offices  
Bonn and Eschborn

Friedrich-Ebert-Allee 32 + 36	Dag-Hammarskjöld-Weg 1 - 5
53113 Bonn, Germany	65760 Eschborn, Germany
T +49 228 44 60-0	T +49 61 96 79-0
F +49 228 44 60-17 66	F +49 61 96 79-11 15

E [info@giz.de](mailto:info@giz.de)  
I [www.giz.de](http://www.giz.de)